

CARNFORTH FREE METHODIST CHURCH

England & Wales · Charity number 1059512

Details

Status Registered

Legal form Other

Registered 1996-11-29

Register [View on the Charity Commission register](#)

Contact

Address 47 Greenwood Avenue
Bolton Le Sands
Carnforth
Lancashire
LA5 8AW

Phone 01524736141

Email connect@cfmc.org.uk

Website www.cfmc.org.uk

Activities

Objects: THE FURTHERANCE OF THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE FREE METHODIST CHURCH OF NORTH AMERICA IN ACCORDANCE WITH THE DOCTRINES, DISCIPLINES AND USAGES OF THAT CHURCH FOR THE TIME BEING AS SET FORTH IN THE BOOK OF DISCIPLINE

Activities: Services of worship, prayer and bible study. Children and youth activities. Support, sports and social events for the church & the local community. Support to individuals and charities in the UK & worldwide.

Classification

- **How:** Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** CARNFORTH
- Cumbria
- Lancashire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£308,408	£176,154	-	-
2023-12-31	£226,383	£149,878	-	-
2022-12-31	£333,688	£152,857	-	-
2021-12-31	£300,364	£119,597	-	-
2020-12-31	£304,678	£74,298	-	-

Trustees

Name	Role	Appointed
REV PETRU CRISTIAN MURGU	Chair	
Claire Weymouth		2025-09-25
Dr Mark Jonathan White		2022-09-29
Graih Lewin		2025-09-25
Heidi Boardman		2025-09-25
Ian Ellershaw		2018-09-01
Ian Rothwell		2022-09-29
John Carter		
Peter Lumb		2023-09-28
Philip Burt		2020-09-24
Rev MAUREEN SURREY		2023-09-28
Susan Wright		2023-09-28

CARNFORTH FREE METHODIST CHURCH

England & Wales - Charity number 1059512

Accounts

CARNFORTH FREE METHODIST CHURCH
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Xeinadin
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

CARNFORTH FREE METHODIST CHURCH

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FOR THE YEAR ENDED 31 DECEMBER 2024**

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CARNFORTH FREE METHODIST CHURCH

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Trustees	Rev C Murgu Mr J Carter Rev I Ellershaw Mrs C Duncan (resigned 17/12/2024) Mr D Kitchen Mr P Burt Dr M White Mr I Rothwell Mr J Davies Mr P Hayes Mr P Lumb Rev M Surrey Mrs S Wright Mrs V Karg
Principal address	The Manse 33 Dunkirk Avenue CARNFORTH LA5 9AP
Registered charity number	1059512
Independent examiner	Xeinadin Dalton House 9 Dalton Square LANCASTER LA1 1WD
Bankers	Barclays Bank Plc 3 Market Street CARNFORTH LA5 9JX

CARNFORTH FREE METHODIST CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their report with the financial statements of the charity for the year ended 31 December 2024. 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

The object of the Carnforth Free Methodist Church is the furtherance of the religious and other charitable works of the Free Methodist Church of North America in accordance with the doctrines, disciplines and usages of that Church for the time being as set forth in the book of discipline. The Church benefits from many voluntary hours and unclaimed out of pocket expenses, contributed by a large number of people. It would be impossible to place a value on these gifts in kind, for which the Trustees are extremely grateful. The Trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the charity's aims and objectives.

Achievements and performance

During the year further income was received by the Charity via Gift Aid resulting in a total of £26,574 tax being recovered from HM Revenue & Customs.

The Trustees are aware that the Charity has an obligation to operate for an identifiable and public benefit. When planning activities Trustees consider the Commission guidance on public benefit; in particular the specific guidance on charities for the advancement of religion.

During 2024, the Church has continued to meet in-person meetings predominantly, albeit virtually using Zoom and YouTube to compliment face to face meetings, particularly for those who are vulnerable or elderly. During the year, the Church continued to support humanitarian work overseas, in particular, where two families continue to serve overseas in 2024. The Church has continued with work in the UK through schools work via sports outreach and the Church has continued to give compassionate gifts and help where needed in the local community.

During 2024, our Lead Pastor, Cristi Murgu has continued to lead the work of the Church in the local Community and surrounding areas, supported by our Associate Pastor, Ian Ellershaw. In the meantime, the Churches Admin support has continued to fulfil a part-time role to provide administrative support to the Lead Pastor, Community Pastor and wider Church.

The Pastors have been involved in visiting members of the Church and people in the local community who have had particular needs and may have asked the Church for assistance. In addition, the Church assisted community programmes have continued in person, such as divorce and bereavement support. During 2024, the Church has continued to liaise with local agencies in identifying and then supporting individuals and families in the communities.

As for assets, the Church manse at Dunkirk Avenue has been maintained. The recently developed Church Conference and Resource Centre has again been used to support the Charities objectives and hosting the community support ventures, including hosting AA. During 2024, all outstanding loans relating to the £1million plus build programme were repaid. Insurance cover on all properties has been reviewed with the recommendations of the RICS and in consultation with the Church's Insurance Brokers.

There were minor changes to the Charity's policies during 2024. In particular, the Trustees reviewed its child protection (safe guarding) policy, ensuring that employees and relevant volunteers received bespoke training on the subject. This will be delivered again in 2025. The Health & Safety Policy has been reviewed with ongoing risk assessments drawn up, particularly focus being given to new ministries and events run from the Centre. The Churches GDPR policy and its charitable data protection management processes are being managed.

Financial review

The charity does not have a formal reserves policy however it is the policy of the charity to maintain balances at a level equivalent to approximately two months expenditure to cover church running costs, should income fall. There have been no occasions when credit balances have fallen beneath this level, and no need for the matter to be escalated by the Trustees to the members of the Church for their consideration. Free reserves as at the year end were £174,253 (2023 - £61,705). No funds are in deficit.

CARNFORTH FREE METHODIST CHURCH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024**

Future plans

The charity plans to continue with its core objectives within its immediate vicinity and the surrounding regions, in addition to which it continues to explore making more use of its new premises to support its charitable objectives.

Structure, governance and management

The main governing document of the Charity is set out in the Declaration of Trust dated 30 October 1996 as amended by scheme dated 9 March 2000. New Trustees are appointed on an annual basis at the Annual General Meeting and meet regularly to review management, financial and operational risk matters.

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

.....
Mr J Carter - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CARNFORTH FREE METHODIST CHURCH**

Independent examiner's report to the trustees of Carnforth Free Methodist Church

I report to the charity trustees on my examination of the accounts of Carnforth Free Methodist Church (the Trust) for the year ended 31 December 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

T M Preece FCCA

Xeinadin
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

Date:

CARNFORTH FREE METHODIST CHURCH

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
Income and endowments from					
Donations and legacies		288,835	5,184	294,019	218,151
Charitable activities					
Church activities		-	11,386	11,386	6,959
Investment income	2	1,897	-	1,897	233
Other income		1,106	-	1,106	1,040
Total		<u>291,838</u>	<u>16,570</u>	<u>308,408</u>	<u>226,383</u>
Expenditure on					
Charitable activities					
Church activities		160,394	15,230	175,624	146,879
Other		530	-	530	2,999
Total		<u>160,924</u>	<u>15,230</u>	<u>176,154</u>	<u>149,878</u>
NET INCOME		130,914	1,340	132,254	76,505
Reconciliation of funds					
Total funds brought forward		538,325	1,050,662	1,588,987	1,512,482
Total funds carried forward		<u><u>669,239</u></u>	<u><u>1,052,002</u></u>	<u><u>1,721,241</u></u>	<u><u>1,588,987</u></u>

The notes form part of these financial statements

CARNFORTH FREE METHODIST CHURCH

**BALANCE SHEET
31 DECEMBER 2024**

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
Fixed assets					
Tangible assets	7	127,726	-	127,726	127,538
Investments	8	-	1	1	1
		<u>127,726</u>	<u>1</u>	<u>127,727</u>	<u>127,539</u>
Current assets					
Debtors	9	373,733	1,051,861	1,425,594	1,442,703
Cash at bank		171,029	140	171,169	58,841
		<u>544,762</u>	<u>1,052,001</u>	<u>1,596,763</u>	<u>1,501,544</u>
Creditors					
Amounts falling due within one year	10	(3,249)	-	(3,249)	(3,434)
		<u>541,513</u>	<u>1,052,001</u>	<u>1,593,514</u>	<u>1,498,110</u>
Net current assets					
		<u>669,239</u>	<u>1,052,002</u>	<u>1,721,241</u>	<u>1,625,649</u>
Total assets less current liabilities					
Creditors					
Amounts falling due after more than one year	11	-	-	-	(36,662)
		<u>669,239</u>	<u>1,052,002</u>	<u>1,721,241</u>	<u>1,588,987</u>
NET ASSETS					
Funds					
Unrestricted funds	13			669,239	538,325
Restricted funds				1,052,002	1,050,662
				<u>1,721,241</u>	<u>1,588,987</u>
Total funds					

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

.....
Mr J Carter - Trustee

.....
Mr P Burt - Trustee

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

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

Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

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

Furniture and equipment	- 15% Reducing balance
Computer equipment	- 25% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

Going concern

There are no material uncertainties regarding the charity's ability to continue as a going concern.

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

2. Investment income

	2024	2023
	£	£
Deposit account interest	1,897	233

3. Grants payable

	2024	2023
	£	£
Church activities	30,969	14,618

The total grants paid to institutions during the year was as follows:

	2024	2023
	£	£
Education for Life	-	600
Sportsreach	3,121	600
Royal British Legion	20	40
NISCU	900	700
United Christian Broadcasters	-	40
The Way Church	250	-
United Servants	-	111
Cornerstone Church, Bentham	11,000	-
CAP Lancaster & Morecambe	750	-
Prison Fellowship	819	-
Open Doors	819	-
	<u>17,679</u>	<u>2,091</u>

The total grants paid to individuals during the year was as follows:

	2024	2023
	£	£
Individuals	13,290	11,035

4. Trustees' remuneration and benefits

Both the Lead Pastor and Associate Pastor (who are also Trustees) received remuneration for ministerial work done during the year. Rev C Murgu received gross pay of £31,616 (2023 - £30,141) and pension contributions of £2,370 (2023 - £2,070). Rev I Ellershaw received gross pay of £34,423 (2023 - £32,526) and pension contributions of £2,370 (2023 - £2,070).

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

4. Trustees' remuneration and benefits - continued

Trustees' expenses

The Trustees were reimbursed expenses of £798 (2023 - £282).

5. Staff costs

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

	2024	2023
Charitable activities	3	3
	<u>3</u>	<u>3</u>

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

6. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted funds £	Total funds £
Income and endowments from			
Donations and legacies	168,167	49,984	218,151
Charitable activities			
Church activities	-	6,959	6,959
Investment income	233	-	233
Other income	1,040	-	1,040
Total	<u>169,440</u>	<u>56,943</u>	<u>226,383</u>
Expenditure on			
Charitable activities			
Church activities	137,902	8,977	146,879
Other	2,999	-	2,999
Total	<u>140,901</u>	<u>8,977</u>	<u>149,878</u>
NET INCOME	28,539	47,966	76,505
Reconciliation of funds			
Total funds brought forward	509,786	1,002,696	1,512,482
Total funds carried forward	<u>538,325</u>	<u>1,050,662</u>	<u>1,588,987</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

7. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Totals £
Cost				
At 1 January 2024	119,820	28,935	5,609	154,364
Additions	-	2,210	479	2,689
At 31 December 2024	<u>119,820</u>	<u>31,145</u>	<u>6,088</u>	<u>157,053</u>
Depreciation				
At 1 January 2024	-	24,747	2,079	26,826
Charge for year	-	978	1,523	2,501
At 31 December 2024	<u>-</u>	<u>25,725</u>	<u>3,602</u>	<u>29,327</u>
Net book value				
At 31 December 2024	<u>119,820</u>	<u>5,420</u>	<u>2,486</u>	<u>127,726</u>
At 31 December 2023	<u>119,820</u>	<u>4,188</u>	<u>3,530</u>	<u>127,538</u>

8. Fixed asset investments

	Shares in group undertakings £
Market value	
At 1 January 2024 and 31 December 2024	<u>1</u>
Net book value	
At 31 December 2024	<u>1</u>
At 31 December 2023	<u>1</u>

There were no investment assets outside the UK.

9. Debtors: amounts falling due within one year

	2024 £	2023 £
Other debtors	<u>1,425,594</u>	<u>1,442,703</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank loans and overdrafts (see note 12)	-	1,107
Trade creditors	2,182	1,342
Taxation and social security	1,067	985
	<u>3,249</u>	<u>3,434</u>

11. Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Bank loans (see note 12)	-	36,662
	<u>-</u>	<u>36,662</u>

12. Loans

The bank loan was repaid in full on 8 March 2024.

13. Movement in funds

	At 1/1/24	Net movement in funds	At 31/12/24
	£	£	£
Unrestricted funds			
General fund	538,325	130,914	669,239
Restricted funds			
Gifts for specific purposes	15	(15)	-
Building	1,050,482	1,380	1,051,862
Food bank	140	-	140
Ladies ministry	25	(25)	-
	<u>1,050,662</u>	<u>1,340</u>	<u>1,052,002</u>
TOTAL FUNDS	<u>1,588,987</u>	<u>132,254</u>	<u>1,721,241</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

13. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	291,838	(160,924)	130,914
Restricted funds			
Gifts for specific purposes	3,344	(3,359)	(15)
Building	1,380	-	1,380
Soccer school	6,267	(6,267)	-
Men's ministry	4,959	(4,959)	-
Ladies ministry	160	(185)	(25)
Youth	460	(460)	-
	<u>16,570</u>	<u>(15,230)</u>	<u>1,340</u>
TOTAL FUNDS	<u><u>308,408</u></u>	<u><u>(176,154)</u></u>	<u><u>132,254</u></u>

Comparatives for movement in funds

	At 1/1/23 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
General fund	509,786	28,539	538,325
Restricted funds			
Gifts for specific purposes	20	(5)	15
Building	1,002,439	48,043	1,050,482
Food bank	237	(97)	140
Ladies ministry	-	25	25
	<u>1,002,696</u>	<u>47,966</u>	<u>1,050,662</u>
TOTAL FUNDS	<u><u>1,512,482</u></u>	<u><u>76,505</u></u>	<u><u>1,588,987</u></u>

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

13. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	169,440	(140,901)	28,539
Restricted funds			
Gifts for specific purposes	1,940	(1,945)	(5)
Building	48,043	-	48,043
Soccer school	6,814	(6,814)	-
Food bank	1	(98)	(97)
Ladies ministry	145	(120)	25
	<u>56,943</u>	<u>(8,977)</u>	<u>47,966</u>
TOTAL FUNDS	<u><u>226,383</u></u>	<u><u>(149,878)</u></u>	<u><u>76,505</u></u>

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

	At 1/1/23 £	Net movement in funds £	At 31/12/24 £
Unrestricted funds			
General fund	509,786	159,453	669,239
Restricted funds			
Gifts for specific purposes	20	(20)	-
Building	1,002,439	49,423	1,051,862
Food bank	237	(97)	140
	<u>1,002,696</u>	<u>49,306</u>	<u>1,052,002</u>
TOTAL FUNDS	<u><u>1,512,482</u></u>	<u><u>208,759</u></u>	<u><u>1,721,241</u></u>

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

13. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	461,278	(301,825)	159,453
Restricted funds			
Gifts for specific purposes	5,284	(5,304)	(20)
Building	49,423	-	49,423
Soccer school	13,081	(13,081)	-
Food bank	1	(98)	(97)
Men's ministry	4,959	(4,959)	-
Ladies ministry	305	(305)	-
Youth	460	(460)	-
	<u>73,513</u>	<u>(24,207)</u>	<u>49,306</u>
TOTAL FUNDS	<u><u>534,791</u></u>	<u><u>(326,032)</u></u>	<u><u>208,759</u></u>

14. Related party disclosures

The charity provided a loan to CFMC Development Company Limited, a company of which the charity is the sole shareholder, to enable the company to undertake a building development. At the balance sheet date the amount due from CFMC Development Company Limited was £1,419,121 (2023 - £1,436,240).

The total donations made by the Trustees to the charity during the year amounted to £32,785 (2023 - £42,260).

CARNFORTH FREE METHODIST CHURCH

England & Wales - Charity number 1059512

Accounts

CARNFORTH FREE METHODIST CHURCH
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Scott & Wilkinson
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

CARNFORTH FREE METHODIST CHURCH

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CARNFORTH FREE METHODIST CHURCH

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustees	Rev C Murgu Mr J Carter Mr J T Wightman (resigned 28/9/2023) Mr I Ellershaw Mrs C Duncan Mr D Kitchen Mr P Burt Mrs R Burt (resigned 28/9/2023) Mrs D M Fralick (resigned 28/9/2023) Mr M White Mr I Rothwell Mr J Davies Mr P Hayes Mr P Lumb (appointed 28/9/2023) Rev M Surrey (appointed 28/9/2023) Mrs S Wright (appointed 28/9/2023)
Principal address	The Manse 33 Dunkirk Avenue CARNFORTH LA5 9AP
Registered charity number	1059512
Independent examiner	Scott & Wilkinson Dalton House 9 Dalton Square LANCASTER LA1 1WD
Bankers	Barclays Bank Plc 3 Market Street CARNFORTH LA5 9JX

CARNFORTH FREE METHODIST CHURCH

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The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. 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

The object of the Carnforth Free Methodist Church is the furtherance of the religious and other charitable works of the Free Methodist Church of North America in accordance with the doctrines, disciplines and usages of that Church for the time being as set forth in the book of discipline. The Church benefits from many voluntary hours and unclaimed out of pocket expenses, contributed by a large number of people. It would be impossible to place a value on these gifts in kind, for which the Trustees are extremely grateful. The Trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the charity's aims and objectives.

Achievement and performance

During the year further income was received by the Charity via Gift Aid resulting in a total of £30,881 tax being recovered from HM Revenue & Customs.

The Trustees are aware that the Charity has an obligation to operate for an identifiable and public benefit. When planning activities Trustees consider the Commission guidance on public benefit; in particular the specific guidance on charities for the advancement of religion.

During 2023, the Church has continued to meet in-person meetings predominantly, albeit virtually using Zoom and YouTube to compliment face to face meetings, particularly for those who are vulnerable or elderly. During the year, the Church continued to support humanitarian work overseas, in particular, where two families continue to serve overseas in 2023. The Church has continued with work in the UK through schools work via sports outreach and the Church has continued to give compassionate gifts and help where needed in the local community.

During 2023, our Lead Pastor, Cristi Murgu has continued to lead the work of the Church in the local Community and surrounding areas, supported by our Community Pastor, Ian Ellershaw. In the meantime, Carol-Ann Baker has continued to fulfil a part-time role to provide administrative support to the Lead Pastor, Community Pastor and wider Church.

The Pastors have been involved in visiting members of the Church and people in the local community who have had particular needs and may have asked the Church for assistance. In addition, the Church assisted community programmes have continued in person, such as divorce and bereavement support. During 2023, the Church has continued to liaise with local agencies in identifying and then supporting individuals and families in the communities.

As for assets, the Church manse at Dunkirk Avenue has been maintained. In 2016, the Church purchased a plot of land for further development as a Church Conference and Resource Centre which we were pleased to open in March 2022. Since this time, the Centre has already been used to support the Charities objectives and hosting the community support ventures. During 2023, further funds were raised meaning that the Trustees agreed in December 2023 to make arrangements to repay all outstanding loans relating to the £1million plus build programme which will be transacted in early 2024. Insurance cover on all properties has been reviewed with the recommendations of the RICS and in consultation with the Church's Insurance Brokers.

There were minor changes to the Charity's policies during 2023. Further work was undertaken in respect of reviewing the Churches child protection (safe guarding) policy. The Health & Safety Policy has been reviewed with ongoing risk assessments drawn up, particularly focus being given to new ministries and events run from the Centre. The Churches GDPR policy and its charitable data protection management processes are still in course of ongoing review but progress has been made.

CARNFORTH FREE METHODIST CHURCH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

Financial review

The charity does not have a formal reserves policy however it is the policy of the charity to maintain balances at a level equivalent to approximately two months expenditure to cover church running costs, should income fall. There have been no occasions when credit balances have fallen beneath this level, and no need for the matter to be escalated by the Trustees to the members of the Church for their consideration. Free reserves as at the year end were £61,705 (2022 - £73,043). No funds are in deficit.


Future plans

The charity plans to continue with its core objectives within its immediate vicinity and the surrounding regions, in addition to which it continues to explore making more use of its new premises to support its charitable objectives.

Structure, governance and management

The main governing document of the Charity is set out in the Declaration of Trust dated 30 October 1996 as amended by scheme dated 9 March 2000. New Trustees are appointed on an annual basis at the Annual General Meeting and meet regularly to review management, financial and operational risk matters.

Approved by order of the board of trustees on 28/7/24..... and signed on its behalf by:


.....
Mr J Carter - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CARNFORTH FREE METHODIST CHURCH**

Independent examiner's report to the trustees of Carnforth Free Methodist Church

I report to the charity trustees on my examination of the accounts of Carnforth Free Methodist Church (the Trust) for the year ended 31 December 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

T M Preece

T M Preece FCCA

Scott & Wilkinson
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

Date: *29/1/24*.....

CARNFORTH FREE METHODIST CHURCH

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
Income and endowments from					
Donations and legacies		168,167	49,984	218,151	271,157
Charitable activities					
Church activities		-	6,959	6,959	10,311
Investment income	2	233	-	233	41
Other income		1,040	-	1,040	52,179
Total		<u>169,440</u>	<u>56,943</u>	<u>226,383</u>	<u>333,688</u>
Expenditure on					
Charitable activities					
Church activities		137,902	8,977	146,879	149,413
Other		2,999	-	2,999	3,444
Total		<u>140,901</u>	<u>8,977</u>	<u>149,878</u>	<u>152,857</u>
NET INCOME		28,539	47,966	76,505	180,831
Reconciliation of funds					
Total funds brought forward		509,786	1,002,696	1,512,482	1,331,651
Total funds carried forward		<u><u>538,325</u></u>	<u><u>1,050,662</u></u>	<u><u>1,588,987</u></u>	<u><u>1,512,482</u></u>

The notes form part of these financial statements

CARNFORTH FREE METHODIST CHURCH

**BALANCE SHEET
31 DECEMBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
Fixed assets					
Tangible assets	7	127,538	-	127,538	126,746
Investments	8	-	1	1	1
		<u>127,538</u>	<u>1</u>	<u>127,539</u>	<u>126,747</u>
Current assets					
Debtors	9	392,207	1,050,496	1,442,703	1,429,769
Cash at bank		58,676	165	58,841	174,160
		<u>450,883</u>	<u>1,050,661</u>	<u>1,501,544</u>	<u>1,603,929</u>
Creditors					
Amounts falling due within one year	10	(3,434)	-	(3,434)	(170,218)
		<u>447,449</u>	<u>1,050,661</u>	<u>1,498,110</u>	<u>1,433,711</u>
Net current assets					
		<u>574,987</u>	<u>1,050,662</u>	<u>1,625,649</u>	<u>1,560,458</u>
Total assets less current liabilities					
Creditors					
Amounts falling due after more than one year	11	(36,662)	-	(36,662)	(47,976)
NET ASSETS					
		<u>538,325</u>	<u>1,050,662</u>	<u>1,588,987</u>	<u>1,512,482</u>
Funds					
	14			538,325	509,786
Unrestricted funds				1,050,662	1,002,696
Restricted funds					
Total funds					
				<u>1,588,987</u>	<u>1,512,482</u>

The financial statements were approved by the Board of Trustees and authorised for issue on28.17./24..... and were signed on its behalf by:

Mr J Carter - Trustee

Mr P Burt - Trustee

The notes form part of these financial statements

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

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

Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

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

Furniture and equipment	- 15% Reducing balance
Computer equipment	- 25% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

Going concern

There are no material uncertainties regarding the charity's ability to continue as a going concern.

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

2. Investment income	2023	2022
	£	£
Deposit account interest	233	41
	<u> </u>	<u> </u>

3. Grants payable	2023	2022
	£	£
Church activities	14,618	16,880
	<u> </u>	<u> </u>

The total grants paid to institutions during the year was as follows:

	2023	2022
	£	£
Education for Life	600	1,200
Sportsreach	600	600
Royal British Legion	40	-
NISCU	700	600
United Christian Broadcasters	40	240
Lancaster and Morecambe Debt Centre	-	1,640
The Way Church	-	200
Our Daily Bread Ministries	-	250
Lancaster Baptist Church	-	150
Heart Church Morecambe	-	500
Capernwray Hall	-	1,000
Ukraine Appeal	-	650
United Servants	111	-
	<u> </u>	<u> </u>
	2,091	7,030
	<u> </u>	<u> </u>

The total grants paid to individuals during the year was as follows:

	2023	2022
	£	£
Individuals	11,035	9,850
	<u> </u>	<u> </u>

4. Trustees' remuneration and benefits

Both the Lead Pastor and Community Pastor (who are also Trustees) received remuneration for ministerial work done during the year. Rev C Murgu received gross pay of £30,141 (2022 - £27,902) and pension contributions of £2,070 (2022 - £1,980). I Ellershaw received gross pay of £32,526 (2022 - £30,549) and pension contributions of £2,070 (2022 - £1,980).

The total donations made by the Trustees to the charity during the year amounted to £42,260 (2022 - £43,660).

CARNFORTH FREE METHODIST CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****4. Trustees' remuneration and benefits - continued****Trustees' expenses**

The Trustees were reimbursed expenses of £282 (2022 - £811).

5. Staff costs

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

	2023	2022
Charitable activities	<u>3</u>	<u>3</u>

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

6. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted funds £	Total funds £
Income and endowments from			
Donations and legacies	156,823	114,334	271,157
Charitable activities			
Church activities	658	9,653	10,311
Investment income	41	-	41
Other income	52,179	-	52,179
Total	<u>209,701</u>	<u>123,987</u>	<u>333,688</u>
Expenditure on			
Charitable activities			
Church activities	136,589	12,824	149,413
Other	3,444	-	3,444
Total	<u>140,033</u>	<u>12,824</u>	<u>152,857</u>
NET INCOME	69,668	111,163	180,831
Reconciliation of funds			
Total funds brought forward	440,118	891,533	1,331,651
Total funds carried forward	<u>509,786</u>	<u>1,002,696</u>	<u>1,512,482</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Totals £
Cost				
At 1 January 2023	119,820	28,935	2,703	151,458
Additions	-	-	2,906	2,906
	<u>119,820</u>	<u>28,935</u>	<u>5,609</u>	<u>154,364</u>
At 31 December 2023	119,820	28,935	5,609	154,364
Depreciation				
At 1 January 2023	-	23,700	1,012	24,712
Charge for year	-	1,047	1,067	2,114
	<u>-</u>	<u>24,747</u>	<u>2,079</u>	<u>26,826</u>
At 31 December 2023	-	24,747	2,079	26,826
Net book value				
At 31 December 2023	<u>119,820</u>	<u>4,188</u>	<u>3,530</u>	<u>127,538</u>
At 31 December 2022	<u>119,820</u>	<u>5,235</u>	<u>1,691</u>	<u>126,746</u>

8. Fixed asset investments

	Shares in group undertakings £
Market value	
At 1 January 2023 and 31 December 2023	<u>1</u>
Net book value	
At 31 December 2023	<u>1</u>
At 31 December 2022	<u>1</u>

There were no investment assets outside the UK.

9. Debtors: amounts falling due within one year

	2023 £	2022 £
Other debtors	<u>1,442,703</u>	<u>1,429,769</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts (see note 12)	1,107	1,049
Trade creditors	1,342	2,104
Taxation and social security	985	915
Other creditors	-	166,150
	<u>3,434</u>	<u>170,218</u>

11. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans (see note 12)	<u>36,662</u>	<u>47,976</u>

12. Loans

The bank loan was advanced in December 2021 and is repayable in installments over twenty years.

13. Secured debts

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans	<u>37,769</u>	<u>49,025</u>

14. Movement in funds

	At 1/1/23	Net movement in funds	At 31/12/23
	£	£	£
Unrestricted funds			
General fund	509,786	28,539	538,325
Restricted funds			
Gifts for specific purposes	20	(5)	15
Building	1,002,439	48,043	1,050,482
Food bank	237	(97)	140
Ladies ministry	-	25	25
	<u>1,002,696</u>	<u>47,966</u>	<u>1,050,662</u>
TOTAL FUNDS	<u>1,512,482</u>	<u>76,505</u>	<u>1,588,987</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	169,440	(140,901)	28,539
Restricted funds			
Gifts for specific purposes	1,940	(1,945)	(5)
Building	48,043	-	48,043
Soccer school	6,814	(6,814)	-
Food bank	1	(98)	(97)
Ladies ministry	145	(120)	25
	<u>56,943</u>	<u>(8,977)</u>	<u>47,966</u>
TOTAL FUNDS	<u><u>226,383</u></u>	<u><u>(149,878)</u></u>	<u><u>76,505</u></u>

Comparatives for movement in funds

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	440,118	69,668	509,786
Restricted funds			
Gifts for specific purposes	-	20	20
Building	891,310	111,129	1,002,439
Food bank	223	14	237
	<u>891,533</u>	<u>111,163</u>	<u>1,002,696</u>
TOTAL FUNDS	<u><u>1,331,651</u></u>	<u><u>180,831</u></u>	<u><u>1,512,482</u></u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	209,701	(140,033)	69,668
Restricted funds			
Gifts for specific purposes	3,105	(3,085)	20
Building	111,129	-	111,129
Soccer school	4,765	(4,765)	-
Food bank	100	(86)	14
Men's ministry	4,888	(4,888)	-
	<u>123,987</u>	<u>(12,824)</u>	<u>111,163</u>
TOTAL FUNDS	<u><u>333,688</u></u>	<u><u>(152,857)</u></u>	<u><u>180,831</u></u>

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

	At 1/1/22 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
General fund	440,118	98,207	538,325
Restricted funds			
Gifts for specific purposes	-	15	15
Building	891,310	159,172	1,050,482
Food bank	223	(83)	140
Ladies ministry	-	25	25
	<u>891,533</u>	<u>159,129</u>	<u>1,050,662</u>
TOTAL FUNDS	<u><u>1,331,651</u></u>	<u><u>257,336</u></u>	<u><u>1,588,987</u></u>

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

14. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	379,141	(280,934)	98,207
Restricted funds			
Gifts for specific purposes	5,045	(5,030)	15
Building	159,172	-	159,172
Soccer school	11,579	(11,579)	-
Food bank	101	(184)	(83)
Men's ministry	4,888	(4,888)	-
Ladies ministry	145	(120)	25
	<u>180,930</u>	<u>(21,801)</u>	<u>159,129</u>
TOTAL FUNDS	<u>560,071</u>	<u>(302,735)</u>	<u>257,336</u>

15. Related party disclosures

The charity provided a loan to CFMC Development Company Limited, a company of which the charity is the sole shareholder, to enable the company to undertake a building development. At the balance sheet date the amount due from CFMC Development Company Limited was £1,436,240 (2022 - £1,420,432).

CARNFORTH FREE METHODIST CHURCH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	£	£
Income and endowments		
Donations and legacies		
Gifts	185,885	213,874
Gift aid	30,881	30,915
Grants	-	25,600
Hire of centre	1,385	768
	<u>218,151</u>	<u>271,157</u>
Investment income		
Deposit account interest	233	41
Charitable activities		
Soccer school	6,814	5,423
Mens ministry	-	4,888
Ladies ministry	145	-
	<u>6,959</u>	<u>10,311</u>
Other income		
Other income	1,040	-
Gain on sale of tangible fixed assets	-	52,179
	<u>1,040</u>	<u>52,179</u>
Total incoming resources	226,383	333,688
Expenditure		
Charitable activities		
Wages	68,483	63,574
Social security	1,126	1,372
Pensions	4,140	3,960
Telephone	1,528	1,604
Postage and stationery	959	121
Computer costs	419	460
Soccer school	10,853	7,279
Mens ministry	200	5,300
Ladies ministry	120	100
Lyrics and Laughter expenses	43	240
Children and Youth expenses	1,752	949
Property rental	9,250	10,277
Manse expenses	2,352	2,676
Church expenses	12,364	15,335
Free Methodist Church levy	6,492	6,456
Carried forward	120,081	119,703

This page does not form part of the statutory financial statements

CARNFORTH FREE METHODIST CHURCH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	£	£
Charitable activities		
Brought forward	120,081	119,703
Travel expenses	438	1,048
Visiting speaker expenses	850	550
Subscriptions	1,953	1,819
Depreciation of fixtures and fittings	1,047	339
Computer equipment	1,067	676
Grants to institutions	3,583	7,030
Grants to individuals	11,035	9,850
	<u>140,054</u>	<u>141,015</u>
Other		
Bank loan interest	2,999	3,444
Support costs		
Management		
Insurance	4,046	4,968
Finance		
Bank charges	589	981
Governance costs		
Legal and professional fees	-	734
Accountancy fees	2,190	1,715
	<u>2,190</u>	<u>2,449</u>
Total resources expended	<u>149,878</u>	<u>152,857</u>
Net income	<u>76,505</u>	<u>180,831</u>

This page does not form part of the statutory financial statements

CARNFORTH FREE METHODIST CHURCH

England & Wales - Charity number 1059512

Accounts

CARNFORTH FREE METHODIST CHURCH
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Scott & Wilkinson
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

CARNFORTH FREE METHODIST CHURCH

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 14

CARNFORTH FREE METHODIST CHURCH

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	Rev C Murgu Mr J Carter Mr J T Wightman Mr A Towers (resigned 29/9/2022) Mr T Taylor (resigned 29/9/2022) Mr I Ellershaw Mrs C Duncan Mr D Kitchen Mr P Burt Mrs R Burt Mr K Smith (resigned 29/9/2022) Mrs D M Fralick Mr M White (appointed 29/9/2022) Mr I Rothwell (appointed 29/9/2022) Mr J Davies (appointed 29/9/2022) Mr P Hayes (appointed 29/9/2022)
Principal address	The Manse 33 Dunkirk Avenue CARNFORTH LA5 9AP
Registered charity number	1059512
Independent examiner	Scott & Wilkinson Dalton House 9 Dalton Square LANCASTER LA1 1WD
Bankers	Barclays Bank Plc 3 Market Street CARNFORTH LA5 9JX

CARNFORTH FREE METHODIST CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report with the financial statements of the charity for the year ended 31 December 2022. 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

The object of the Carnforth Free Methodist Church is the furtherance of the religious and other charitable works of the Free Methodist Church of North America in accordance with the doctrines, disciplines and usages of that Church for the time being as set forth in the book of discipline. The Church benefits from many voluntary hours and unclaimed out of pocket expenses, contributed by a large number of people. It would be impossible to place a value on these gifts in kind, for which the Trustees are extremely grateful. The Trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the charity's aims and objectives.

Achievement and performance

During the year further income was received by the Charity via Gift Aid resulting in a total of £30,915 tax being recovered from HM Revenue & Customs.

The Trustees are aware that the Charity has an obligation to operate for an identifiable and public benefit. When planning activities Trustees consider the Commission guidance on public benefit; in particular the specific guidance on charities for the advancement of religion.

Since the Covid pandemic, the Church has returned to in-person meetings predominantly, albeit virtually using Zoom and YouTube to compliment face to face meetings, particularly for those who are vulnerable or elderly. During the year, the Church continued to support humanitarian work overseas, in particular, where two families continue to serve overseas in 2022. The Church has continued with work in the UK through schools work via sports outreach and the Church has continued to give compassionate gifts and help where needed in the local community.

During 2022, our Community Pastor, Ian Ellershaw has settled into his employment for the Church, complementing the work of our Lead Pastor, Cristi Murgu. In the meantime, Carol-Ann Baker has continued to fulfil a part-time role to provide administrative support to the Lead Pastor, Community Pastor and wider Church.

The Pastors have been involved in visiting members of the Church and people in the local community who have had particular needs and may have asked the Church for assistance. In addition, the Church assisted community programmes have continued in person, such as divorce and bereavement support. During 2022, the Church continued with a food bank and has liaised with local health and other agencies in identifying and then supporting individuals and families in the communities.

As for assets, the Church manse at Dunkirk Avenue has been maintained. In 2016, the Church purchased a plot of land for further development as a Church Conference and Resource Centre. We were pleased to open this in March 2022 and already this has been used to support the Charities objectives and hosting the community support ventures. During 2022, further funds were raised meaning around 90% of the cost has been found leaving the remaining 10% outstanding on a mixture of interest free loans and long term mortgage finance. During 2022, the Trustees considered the best way to exit the Hunter Street building which as hoped was concluded in 2022, by way of a sale, subjected to due diligence and valuations. Insurance cover on all properties has been reviewed with the recommendations of the RICS and in consultation with the Church's Insurance Brokers

There were minor changes to the Charity's policies during 2022. Further work was undertaken in respect of reviewing the Churches child protection (safe guarding) policy. The Health & Safety Policy has been reviewed with ongoing risk assessments drawn up, particularly focus being given to Covid and the return to in person events. The Churches GDPR policy and its charitable data protection management processes are in course of ongoing review.

CARNFORTH FREE METHODIST CHURCH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

Financial review

The charity does not have a formal reserves policy however it is the policy of the charity to maintain balances at a level equivalent to approximately two months expenditure to cover church running costs, should income fall. There have been no occasions when credit balances have fallen beneath this level, and no need for the matter to be escalated by the Trustees to the members of the Church for their consideration. Free reserves as at the year end were £73,043. No funds are materially in deficit.

Future plans

The charity plans to continue with its core objectives within its immediate vicinity and the surrounding regions, in addition to which it continues to explore making more use of its new premises to support its charitable objectives.

Structure, governance and management

The main governing document of the Charity is set out in the Declaration of Trust dated 30 October 1996 as amended by scheme dated 9 March 2000. New Trustees are appointed on an annual basis at the Annual General Meeting and meet regularly to review management, financial and operational risk matters.

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

.....
Mr J Carter - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CARNFORTH FREE METHODIST CHURCH**

Independent examiner's report to the trustees of Carnforth Free Methodist Church

I report to the charity trustees on my examination of the accounts of Carnforth Free Methodist Church (the Trust) for the year ended 31 December 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

T M Preece FCCA

Scott & Wilkinson
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

Date:

CARNFORTH FREE METHODIST CHURCH

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
Income and endowments from					
Donations and legacies		156,823	114,334	271,157	296,981
Charitable activities					
Church activities		658	9,653	10,311	3,380
Investment income	2	41	-	41	3
Other income		52,179	-	52,179	-
Total		<u>209,701</u>	<u>123,987</u>	<u>333,688</u>	<u>300,364</u>
Expenditure on					
Charitable activities					
Church activities		136,589	12,824	149,413	119,566
Other		3,444	-	3,444	31
Total		<u>140,033</u>	<u>12,824</u>	<u>152,857</u>	<u>119,597</u>
NET INCOME		69,668	111,163	180,831	180,767
Reconciliation of funds					
Total funds brought forward		440,118	891,533	1,331,651	1,150,884
Total funds carried forward		<u><u>509,786</u></u>	<u><u>1,002,696</u></u>	<u><u>1,512,482</u></u>	<u><u>1,331,651</u></u>

The notes form part of these financial statements

CARNFORTH FREE METHODIST CHURCH

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
Fixed assets					
Tangible assets	7	126,746	-	126,746	168,288
Investments	8	-	1	1	1
		<u>126,746</u>	<u>1</u>	<u>126,747</u>	<u>168,289</u>
Current assets					
Debtors	9	427,311	1,002,458	1,429,769	1,254,034
Cash at bank		167,773	6,387	174,160	57,701
		<u>595,084</u>	<u>1,008,845</u>	<u>1,603,929</u>	<u>1,311,735</u>
Creditors					
Amounts falling due within one year	10	(164,068)	(6,150)	(170,218)	(8,873)
		<u>431,016</u>	<u>1,002,695</u>	<u>1,433,711</u>	<u>1,302,862</u>
Net current assets					
		<u>557,762</u>	<u>1,002,696</u>	<u>1,560,458</u>	<u>1,471,151</u>
Total assets less current liabilities					
Creditors					
Amounts falling due after more than one year	11	(47,976)	-	(47,976)	(139,500)
		<u>509,786</u>	<u>1,002,696</u>	<u>1,512,482</u>	<u>1,331,651</u>
NET ASSETS					
Funds					
Unrestricted funds	14			509,786	440,118
Restricted funds				1,002,696	891,533
				<u>1,512,482</u>	<u>1,331,651</u>
Total funds					

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

.....
Mr J Carter - Trustee

.....
Mr J T Wightman - Trustee

The notes form part of these financial statements

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

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

Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

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

Furniture and equipment	- 15% Reducing balance
Computer equipment	- 25% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

Going concern

There are no material uncertainties regarding the charity's ability to continue as a going concern.

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

2. Investment income

	2022	2021
	£	£
Deposit account interest	41	3
	<u>41</u>	<u>3</u>

3. Grants payable

	2022	2021
	£	£
Church activities	16,880	16,533
	<u>16,880</u>	<u>16,533</u>

The total grants paid to institutions during the year was as follows:

	2022	2021
	£	£
Education for Life	1,200	1,200
WEC	-	2,000
Sportsreach	600	600
Royal British Legion	-	20
NISCU	600	600
United Christian Broadcasters	240	240
Lancaster and Morecambe Debt Centre	1,640	-
The Way Church	200	200
Our Daily Bread Ministries	250	50
Lancaster Baptist Church	150	-
Heart Church Morecambe	500	-
Capernwray Hall	1,000	-
Ukraine Appeal	650	-
	<u>7,030</u>	<u>4,910</u>

The total grants paid to individuals during the year was as follows:

	2022	2021
	£	£
Individuals	9,850	11,623
	<u>9,850</u>	<u>11,623</u>

4. Trustees' remuneration and benefits

Both the Lead Pastor and Community Pastor (who are also Trustees) received remuneration for ministerial work done during the year. Rev C Murgu received gross pay of £27,902 (2021 - £27,113) and pension contributions of £1,980 (2021 - £1,900). I Ellershaw received gross pay of £30,549 (2021 - £29,899) and pension contributions of £1,980 (2021 - £1,980).

The total donations made by the Trustees to the charity during the year amounted to £43,660 (2021 - £34,805).

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Trustees' remuneration and benefits - continued

Trustees' expenses

The Trustees were reimbursed expenses of £811 (2021 - £237).

5. Staff costs

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

	2022	2021
Charitable activities	3	3

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

6. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted funds £	Total funds £
Income and endowments from			
Donations and legacies	144,377	152,604	296,981
Charitable activities			
Church activities	-	3,380	3,380
Investment income	3	-	3
Total	<u>144,380</u>	<u>155,984</u>	<u>300,364</u>
Expenditure on			
Charitable activities			
Church activities	113,477	6,089	119,566
Other	31	-	31
Total	<u>113,508</u>	<u>6,089</u>	<u>119,597</u>
NET INCOME	30,872	149,895	180,767
Reconciliation of funds			
Total funds brought forward	409,246	741,638	1,150,884
Total funds carried forward	<u>440,118</u>	<u>891,533</u>	<u>1,331,651</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Totals £
Cost				
At 1 January 2022	164,260	26,385	1,339	191,984
Additions	2,320	2,550	1,364	6,234
Disposals	(46,760)	-	-	(46,760)
At 31 December 2022	<u>119,820</u>	<u>28,935</u>	<u>2,703</u>	<u>151,458</u>
Depreciation				
At 1 January 2022	-	23,361	335	23,696
Charge for year	-	339	677	1,016
At 31 December 2022	<u>-</u>	<u>23,700</u>	<u>1,012</u>	<u>24,712</u>
Net book value				
At 31 December 2022	<u>119,820</u>	<u>5,235</u>	<u>1,691</u>	<u>126,746</u>
At 31 December 2021	<u>164,260</u>	<u>3,024</u>	<u>1,004</u>	<u>168,288</u>

8. Fixed asset investments

	Shares in group undertakings £
Market value	
At 1 January 2022 and 31 December 2022	<u>1</u>
Net book value	
At 31 December 2022	<u>1</u>
At 31 December 2021	<u>1</u>

There were no investment assets outside the UK.

9. Debtors: amounts falling due within one year

	2022 £	2021 £
Other debtors	<u>1,429,769</u>	<u>1,254,034</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts (see note 12)	1,049	531
Trade creditors	2,106	-
Taxation and social security	915	999
Other creditors	166,148	7,343
	<u>170,218</u>	<u>8,873</u>

11. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans (see note 12)	47,976	9,500
Other creditors	-	130,000
	<u>47,976</u>	<u>139,500</u>

12. Loans

The bank loan was advanced in December 2021 and is repayable in installments over twenty years.

13. Secured debts

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank loans	<u>49,025</u>	<u>10,031</u>

14. Movement in funds

	At 1/1/22	Net movement in funds	At 31/12/22
	£	£	£
Unrestricted funds			
General fund	440,118	69,668	509,786
Restricted funds			
Gifts for specific purposes	-	20	20
Building	891,310	111,129	1,002,439
Food bank	223	14	237
	<u>891,533</u>	<u>111,163</u>	<u>1,002,696</u>
TOTAL FUNDS	<u>1,331,651</u>	<u>180,831</u>	<u>1,512,482</u>

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

14. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	209,701	(140,033)	69,668
Restricted funds			
Gifts for specific purposes	3,105	(3,085)	20
Building	111,129	-	111,129
Soccer school	4,765	(4,765)	-
Food bank	100	(86)	14
Men's ministry	4,888	(4,888)	-
	<u>123,987</u>	<u>(12,824)</u>	<u>111,163</u>
TOTAL FUNDS	<u><u>333,688</u></u>	<u><u>(152,857)</u></u>	<u><u>180,831</u></u>

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	409,246	30,872	440,118
Restricted funds			
Building	741,638	149,672	891,310
Food bank	-	223	223
	<u>741,638</u>	<u>149,895</u>	<u>891,533</u>
TOTAL FUNDS	<u><u>1,150,884</u></u>	<u><u>180,767</u></u>	<u><u>1,331,651</u></u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	144,380	(113,508)	30,872
Restricted funds			
Gifts for specific purposes	2,172	(2,172)	-
Building	149,672	-	149,672
Soccer school	3,380	(3,380)	-
Food bank	310	(87)	223
Lyrics and Laughter	450	(450)	-
	<u>155,984</u>	<u>(6,089)</u>	<u>149,895</u>
TOTAL FUNDS	<u><u>300,364</u></u>	<u><u>(119,597)</u></u>	<u><u>180,767</u></u>

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

	At 1/1/21 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	409,246	100,540	509,786
Restricted funds			
Gifts for specific purposes	-	20	20
Building	741,638	260,801	1,002,439
Food bank	-	237	237
	<u>741,638</u>	<u>261,058</u>	<u>1,002,696</u>
TOTAL FUNDS	<u><u>1,150,884</u></u>	<u><u>361,598</u></u>	<u><u>1,512,482</u></u>

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

14. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	354,081	(253,541)	100,540
Restricted funds			
Gifts for specific purposes	5,277	(5,257)	20
Building	260,801	-	260,801
Soccer school	8,145	(8,145)	-
Food bank	410	(173)	237
Men's ministry	4,888	(4,888)	-
Lyrics and Laughter	450	(450)	-
	<u>279,971</u>	<u>(18,913)</u>	<u>261,058</u>
TOTAL FUNDS	<u>634,052</u>	<u>(272,454)</u>	<u>361,598</u>

15. Related party disclosures

The charity provided a loan to CFMC Development Company Limited, a company of which the charity is the sole shareholder, to enable the company to undertake a building development. At the balance sheet date the amount due from CFMC Development Company Limited was £1,420,432 (2021 - £1,244,687).

CARNFORTH FREE METHODIST CHURCH

England & Wales - Charity number 1059512

Accounts

CARNFORTH FREE METHODIST CHURCH
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Scott & Wilkinson
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

CARNFORTH FREE METHODIST CHURCH

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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CARNFORTH FREE METHODIST CHURCH

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees	Rev C Murgu Mr J Carter Mr J T Wightman Mrs E Threlfall (resigned 30/9/2021) Mr A Towers Mrs H Boardman (resigned 30/9/2021) Mr T Taylor Mr I Ellershaw Mrs C Duncan Mr D Kitchen Mr P Burt Mrs R Burt (appointed 30/9/2021) Mr K Smith (appointed 30/9/2021) Mrs D M Fralick (appointed 30/9/2021)
Principal address	The Manse 33 Dunkirk Avenue CARNFORTH LA5 9AP
Registered charity number	1059512
Independent examiner	Scott & Wilkinson Dalton House 9 Dalton Square LANCASTER LA1 1WD
Bankers	Barclays Bank Plc 3 Market Street CARNFORTH LA5 9JX

CARNFORTH FREE METHODIST CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report with the financial statements of the charity for the year ended 31 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

The object of the Carnforth Free Methodist Church is the furtherance of the religious and other charitable works of the Free Methodist Church of North America in accordance with the doctrines, disciplines and usages of that Church for the time being as set forth in the book of discipline. The Church benefits from many voluntary hours and unclaimed out of pocket expenses, contributed by a large number of people. It would be impossible to place a value on these gifts in kind, for which the Trustees are extremely grateful. The Trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the charity's aims and objectives.

Achievement and performance

During the year further income was received by the Charity via Gift Aid resulting in a total of £32,979 tax being recovered from HM Revenue & Customs.

The Trustees are aware that the Charity has an obligation to operate for an identifiable and public benefit. When planning activities Trustees consider the Commission guidance on public benefit; in particular the specific guidance on charities for the advancement of religion.

Despite the Covid pandemic, the Church has continued to meet, albeit virtually using Zoom and YouTube. When permitted, limited in person services have been held initially, followed by a return to open services when restrictions were lifted, but still complimented by zoom and you tube for those who felt unable to return in person. During the year, the Church continued to support humanitarian work overseas, in particular, where two families continue to serve overseas in 2021 where Covid restrictions have permitted. The Church was able to resume work in the UK through schools work via sports outreach and the Church has continued to give compassionate gifts and help where needed in the local community.

In January 2021, our new Community Pastor, Ian Ellershaw commenced employment for the Church and has quickly settled to compliment the work of our Lead Pastor, Cristi Murgu. In the meantime, Carol-Ann Baker has continued to fulfil a part-time role to provide administrative support to the Lead Pastor, Community Pastor and wider Church.

The Pastors have been involved in visiting members of the Church and people in the local community who have had particular needs and may have asked the Church for assistance. In addition, the Church assisted community programmes have moved on line where possible, such as divorce and bereavement support. During 2021, the Church continued with a food bank and has liaised with local health and other agencies in identifying and then supporting individuals and families in the communities.

The Church premises, the manse at Dunkirk Avenue and the Church building in Hunter Street have been maintained. Insurance cover on all properties has been reviewed with the recommendations of the RICS and in consultation with the Church's Insurance Brokers. In 2016, the Church purchased a plot of land for further development as a Church Conference and Resource Centre. Once complete, this will enhance the churches capability in further supporting the local community, given the extra space it will provide. During 2021, further funds were raised and local builders Piningtons have been hard at work completing the build which is due to be completed in January 2022 (a two month delay). During 2021, the Trustees have been considering the best ways to exit the Hunter Street building which is hoped to be concluded in 2022.

There were minor changes to the Charity's policies during 2021. Further work was undertaken in respect of reviewing the Churches child protection (safe guarding) policy. The Health & Safety Policy has been reviewed with ongoing risk assessments drawn up, particularly focus being given to Covid and the return to in person events. The Churches GDPR policy and its charitable data protection management processes are in course of ongoing review.

CARNFORTH FREE METHODIST CHURCH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Financial review

The charity does not have a formal reserves policy however it is the policy of the charity to maintain balances at a level equivalent to approximately two months expenditure to cover church running costs, should income fall. There have been no occasions when credit balances have fallen beneath this level, and no need for the matter to be escalated by the Trustees to the members of the Church for their consideration. Free reserves as at the year end were £57,953. No funds are materially in deficit.

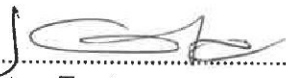
Future plans

The charity plans to continue with its core objectives within its immediate vicinity and the surrounding regions, in addition to which it continues to explore the available options in developing additional premises to support its charitable objectives.

Structure, governance and management

The main governing document of the Charity is set out in the Declaration of Trust dated 30 October 1996 as amended by scheme dated 9 March 2000. New Trustees are appointed on an annual basis at the Annual General Meeting and meet regularly to review management, financial and operational risk matters.

Approved by order of the board of trustees on 24 June 2022 and signed on its behalf by:


.....
Mr J Carter - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CARNFORTH FREE METHODIST CHURCH**

Independent examiner's report to the trustees of Carnforth Free Methodist Church

I report to the charity trustees on my examination of the accounts of Carnforth Free Methodist Church (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

T M Preece

T M Preece FCCA
Association of Chartered Certified Accountants
Scott & Wilkinson
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

Date:27.10.2022.....

CARNFORTH FREE METHODIST CHURCH

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
Income and endowments from					
Donations and legacies		144,377	152,604	296,981	304,491
Charitable activities					
Church activities		-	3,380	3,380	166
Investment income	2	3	-	3	21
Total		<u>144,380</u>	<u>155,984</u>	<u>300,364</u>	<u>304,678</u>
Expenditure on					
Charitable activities					
Church activities		113,477	6,089	119,566	74,298
Other		31	-	31	-
Total		<u>113,508</u>	<u>6,089</u>	<u>119,597</u>	<u>74,298</u>
NET INCOME		<u>30,872</u>	<u>149,895</u>	<u>180,767</u>	<u>230,380</u>
Reconciliation of funds					
Total funds brought forward		409,246	741,638	1,150,884	920,504
Total funds carried forward		<u><u>440,118</u></u>	<u><u>891,533</u></u>	<u><u>1,331,651</u></u>	<u><u>1,150,884</u></u>


The notes form part of these financial statements

CARNFORTH FREE METHODIST CHURCH

**BALANCE SHEET
31 DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets					
Tangible assets	7	168,288	-	168,288	167,079
Investments	8	-	1	1	1
		<u>168,288</u>	<u>1</u>	<u>168,289</u>	<u>167,080</u>
Current assets					
Debtors	9	362,725	891,309	1,254,034	929,868
Cash at bank		51,328	6,373	57,701	61,417
		<u>414,053</u>	<u>897,682</u>	<u>1,311,735</u>	<u>991,285</u>
Creditors					
Amounts falling due within one year	10	(2,723)	(6,150)	(8,873)	(7,481)
		<u>411,330</u>	<u>891,532</u>	<u>1,302,862</u>	<u>983,804</u>
Net current assets					
		<u>411,330</u>	<u>891,532</u>	<u>1,302,862</u>	<u>983,804</u>
Total assets less current liabilities		<u>579,618</u>	<u>891,533</u>	<u>1,471,151</u>	<u>1,150,884</u>
Creditors					
Amounts falling due after more than one year	11	(139,500)	-	(139,500)	-
NET ASSETS		<u>440,118</u>	<u>891,533</u>	<u>1,331,651</u>	<u>1,150,884</u>
Funds	14				
Unrestricted funds				440,118	409,246
Restricted funds				891,533	741,638
Total funds				<u>1,331,651</u>	<u>1,150,884</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24 June 2022 and were signed on its behalf by:


.....
Mr J Carter - Trustee


.....
Mr A Towers - Trustee

The notes form part of these financial statements

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

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

Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

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

Furniture and equipment	- 15% Reducing balance
Computer equipment	- 25% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

Going concern

There are no material uncertainties regarding the charity's ability to continue as a going concern.

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

2. Investment income

	2021	2020
	£	£
Deposit account interest	3	21

3. Grants payable

	2021	2020
	£	£
Church activities	16,533	15,422

The total grants paid to institutions during the year was as follows:

	2021	2020
	£	£
Education for Life	1,200	1,199
WEC	2,000	3,000
Sportsreach	600	600
Royal British Legion	20	-
NISCU	600	600
United Christian Broadcasters	240	240
Gateway Church	-	500
Teaching Aid	-	728
West End Impact	-	728
The Way Church	200	-
Our Daily Bread Ministries	50	-
	<u>4,910</u>	<u>7,595</u>

The total grants paid to individuals during the year was as follows:

	2021	2020
	£	£
Individuals	<u>11,623</u>	<u>7,827</u>

4. Trustees' remuneration and benefits

Both the Lead Pastor and Community Pastor (who are also Trustees) received remuneration for ministerial work done during the year. Rev C Murgu received gross pay of £27,113 (2020 - £26,538) and pension contributions of £1,900 (2020 - £1,860). I Ellershaw received gross pay of £29,899 (2020 - £nil) and pension contributions of £1,980 (2020 - £nil).

The total donations made by the Trustees to the charity during the year amounted to £34,805 (2020 - £35,936).

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Trustees' remuneration and benefits - continued

Trustees' expenses

The Trustees were reimbursed expenses of £237 (2020 - £73).

5. Staff costs

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

	2021	2020
Charitable activities	<u>3</u>	<u>2</u>

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

6. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted funds £	Total funds £
Income and endowments from			
Donations and legacies	143,395	161,096	304,491
Charitable activities			
Church activities	166	-	166
Investment income	21	-	21
Total	<u>143,582</u>	<u>161,096</u>	<u>304,678</u>
Expenditure on			
Charitable activities			
Church activities	72,093	2,205	74,298
NET INCOME	<u>71,489</u>	<u>158,891</u>	<u>230,380</u>
Reconciliation of funds			
Total funds brought forward	337,757	582,747	920,504
Total funds carried forward	<u>409,246</u>	<u>741,638</u>	<u>1,150,884</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Totals £
Cost				
At 1 January 2021	164,260	25,645	-	189,905
Additions	-	740	1,339	2,079
	<u>164,260</u>	<u>26,385</u>	<u>1,339</u>	<u>191,984</u>
At 31 December 2021	164,260	26,385	1,339	191,984
Depreciation				
At 1 January 2021	-	22,826	-	22,826
Charge for year	-	535	335	870
	<u>-</u>	<u>23,361</u>	<u>335</u>	<u>23,696</u>
At 31 December 2021	-	23,361	335	23,696
Net book value				
At 31 December 2021	<u>164,260</u>	<u>3,024</u>	<u>1,004</u>	<u>168,288</u>
At 31 December 2020	<u>164,260</u>	<u>2,819</u>	<u>-</u>	<u>167,079</u>

8. Fixed asset investments

	Shares in group undertakings £
Market value	
At 1 January 2021 and 31 December 2021	<u>1</u>
Net book value	
At 31 December 2021	<u>1</u>
At 31 December 2020	<u>1</u>

There were no investment assets outside the UK.

9. Debtors: amounts falling due within one year

	2021 £	2020 £
Other debtors	<u>1,254,034</u>	<u>929,868</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts (see note 12)	531	-
Taxation and social security	999	-
Other creditors	7,343	7,481
	<u>8,873</u>	<u>7,481</u>

11. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans (see note 12)	9,500	-
Other creditors	130,000	-
	<u>139,500</u>	<u>-</u>

12. Loans

The bank loan was advanced in December 2021 and is repayable in installments over twenty years.

13. Secured debts

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank loans	10,031	-
	<u>10,031</u>	<u>-</u>

14. Movement in funds

	At 1/1/21	Net movement in funds	At 31/12/21
	£	£	£
Unrestricted funds			
General fund	409,246	30,872	440,118
Restricted funds			
Building	741,638	149,672	891,310
Food bank	-	223	223
	<u>741,638</u>	<u>149,895</u>	<u>891,533</u>
TOTAL FUNDS	<u>1,150,884</u>	<u>180,767</u>	<u>1,331,651</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	144,380	(113,508)	30,872
Restricted funds			
Gifts for specific purposes	2,172	(2,172)	-
Building	149,672	-	149,672
Soccer school	3,380	(3,380)	-
Food bank	310	(87)	223
Lyrics and Laughter	450	(450)	-
	<u>155,984</u>	<u>(6,089)</u>	<u>149,895</u>
TOTAL FUNDS	<u><u>300,364</u></u>	<u><u>(119,597)</u></u>	<u><u>180,767</u></u>

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	337,757	71,489	409,246
Restricted funds			
Building	582,747	158,891	741,638
TOTAL FUNDS	<u><u>920,504</u></u>	<u><u>230,380</u></u>	<u><u>1,150,884</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	143,582	(72,093)	71,489
Restricted funds			
Gifts for specific purposes	2,205	(2,205)	-
Building	158,891	-	158,891
	<u>161,096</u>	<u>(2,205)</u>	<u>158,891</u>
TOTAL FUNDS	<u><u>304,678</u></u>	<u><u>(74,298)</u></u>	<u><u>230,380</u></u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Movement in funds - continued

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

	At 1/1/20 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	337,757	102,361	440,118
Restricted funds			
Building	582,747	308,563	891,310
Food bank	-	223	223
	<u>582,747</u>	<u>308,786</u>	<u>891,533</u>
TOTAL FUNDS	<u>920,504</u>	<u>411,147</u>	<u>1,331,651</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	287,962	(185,601)	102,361
Restricted funds			
Gifts for specific purposes	4,377	(4,377)	-
Building	308,563	-	308,563
Soccer school	3,380	(3,380)	-
Food bank	310	(87)	223
Lyrics and Laughter	450	(450)	-
	<u>317,080</u>	<u>(8,294)</u>	<u>308,786</u>
TOTAL FUNDS	<u>605,042</u>	<u>(193,895)</u>	<u>411,147</u>

15. Related party disclosures

The charity provided a loan to CFMC Development Company Limited, a company of which the charity is the sole shareholder, to enable the company to undertake a building development. At the balance sheet date the amount due from CFMC Development Company Limited was £1,244,687 (2020 - £921,630).

CARNFORTH FREE METHODIST CHURCH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	£	£
Income and endowments		
Donations and legacies		
Gifts	264,002	267,356
Gift aid	32,979	37,135
	<hr/>	<hr/>
	296,981	304,491
Investment income		
Deposit account interest	3	21
Charitable activities		
Soccer school	3,380	166
	<hr/>	<hr/>
Total incoming resources	300,364	304,678
Expenditure		
Charitable activities		
Wages	61,827	30,221
Social security	78	-
Pensions	3,880	1,860
Telephone	770	616
Postage and stationery	34	444
Computer costs	413	90
Soccer school	5,333	500
Divorce Care ministry	-	454
Lyrics and Laughter expenses	456	-
Children and Youth expenses	140	-
Property rental	8,252	4,606
Staff training	75	53
Manse expenses	5,058	2,047
Church expenses	2,819	5,101
Free Methodist Church levy	6,336	6,216
Visiting speaker expenses	450	800
Subscriptions	1,565	1,510
Depreciation of fixtures and fittings	535	498
Computer equipment	335	-
Grants to institutions	4,910	7,595
Grants to individuals	11,623	7,827
	<hr/>	<hr/>
	114,889	70,438
Other		
Bank loan interest	31	-
Support costs		

This page does not form part of the statutory financial statements

CARNFORTH FREE METHODIST CHURCH

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	£	£
Support costs		
Finance		
Bank charges	2,228	510
Governance costs		
Legal and professional fees	600	1,725
Accountancy fees	1,849	1,625
	<u>2,449</u>	<u>3,350</u>
Total resources expended	<u>119,597</u>	<u>74,298</u>
Net income	<u><u>180,767</u></u>	<u><u>230,380</u></u>

This page does not form part of the statutory financial statements

CARNFORTH FREE METHODIST CHURCH

England & Wales - Charity number 1059512

Accounts

REGISTERED CHARITY NUMBER: 1059512

CARNFORTH FREE METHODIST CHURCH
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Scott & Wilkinson LLP
Chartered Accountants
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

CARNFORTH FREE METHODIST CHURCH

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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CARNFORTH FREE METHODIST CHURCH

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees	Rev C Murgu Mrs D Blacklee (resigned 31/12/2020) Mr J Carter Mr J T Wightman Mrs E Threlfall Mr A Towers Mrs H Boardman Mr A Major (resigned 24/9/2020) Mr T Taylor Ms C Caudwell (resigned 24/9/2020) Mr I Ellershaw Mrs C Duncan (appointed 24/9/2020) Mr D Kitchen (appointed 24/9/2020) Mr P Burt (appointed 24/9/2020)
Principal address	The Manse 33 Dunkirk Avenue CARNFORTH LA5 9AP
Registered charity number	1059512
Independent examiner	Scott & Wilkinson LLP Chartered Accountants Dalton House 9 Dalton Square LANCASTER LA1 1WD
Bankers	Barclays Bank Plc 3 Market Street CARNFORTH LA5 9JX

CARNFORTH FREE METHODIST CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. 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

The object of the Carnforth Free Methodist Church is the furtherance of the religious and other charitable works of the Free Methodist Church of North America in accordance with the doctrines, disciplines and usages of that Church for the time being as set forth in the book of discipline. The Church benefits from many voluntary hours and unclaimed out of pocket expenses, contributed by a large number of people. It would be impossible to place a value on these gifts in kind, for which the Trustees are extremely grateful. The Trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the charity's aims and objectives.

Achievement and performance

During the year further income was received by the Charity via Gift Aid resulting in a total of £37,135 tax being recovered from HM Revenue & Customs.

The Trustees are aware that the Charity has an obligation to operate for an identifiable and public benefit. When planning activities Trustees consider the Commission guidance on public benefit; in particular the specific guidance on charities for the advancement of religion.

Despite the Covid pandemic, the Church has continued to meet, albeit virtually using Zoom and YouTube. Where permitted, limited in person services have been held. During the year, the Church continued to support humanitarian work overseas, in particular, one family continues to serve overseas work in 2020 where Covid restrictions have permitted, and a second family have begun a season of overseas work, again with support from the Church. Usual evangelistic work in the UK through schools work, sports outreach were interrupted by Covid although the Church has continued to give compassionate gifts and help where needed in the local community.

The Pastor has been involved in visiting members of the Church and people in the local community who have had particular needs and may have asked the Church for assistance. In addition, the Church assisted community programmes have moved on line where possible, such as divorce and bereavement support. During 2020, the Church continued with a food bank and has liaised with local health and other agencies in identifying and then supporting individuals and families in the communities.

During 2020, the Trustees successfully concluded a search for a new Community Pastor, appointing Ian Ellershaw to commence employment as of 01 January 2021. In the meantime, they created a part-time role to provide administrative support to the Lead Pastor, and recruited Carol-Ann Baker to fulfil this role, which has been a great addition to the Lead Pastor and wider Church.

The Church premises, the manse at Dunkirk Avenue and the Church building in Hunter Street have been maintained. Insurance cover on all properties has been reviewed with the recommendations of the RICS and in consultation with the Church's Insurance Brokers. In 2016, the Church purchased a plot of land for further development as a Church Conference and Resource Centre. Once complete, this will enhance the churches capability in further supporting the local community, given the extra space it will provide. During 2020, further funds were raised and following tender, Piningtons were appointed as Contractor for the build which commenced in October 2020. The build is hoped to be concluded by November 2021. The Trustees will look at the best ways to exit the Hunter Street building in 2021.

There were minor changes to the Charity's policies during 2020. Further work was undertaken in respect of reviewing the Churches child protection (safe guarding) policy. The Health & Safety Policy has been reviewed with ongoing risk assessments drawn up, particularly focus being given to Covid. The Churches GDPR policy and its charitable data protection management processes were in review during 2020, and this will be concluded in 2021.

CARNFORTH FREE METHODIST CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The charity does not have a formal reserves policy however it is the policy of the charity to maintain balances at a level equivalent to approximately two months expenditure to cover church running costs, should income fall. There have been no occasions when credit balances have fallen beneath this level, and no need for the matter to be escalated by the Trustees to the members of the Church for their consideration. Free reserves as at the year end were £62,174. No funds are materially in deficit.

Future plans

The charity plans to continue with its core objectives within its immediate vicinity and the surrounding regions, in addition to which it continues to explore the available options in developing additional premises to support its charitable objectives.

Structure, governance and management

The main governing document of the Charity is set out in the Declaration of Trust dated 30 October 1996 as amended by scheme dated 9 March 2000. New Trustees are appointed on an annual basis at the Annual General Meeting and meet regularly to review management, financial and operational risk matters.

Approved by order of the board of trustees on ²¹ June 2021 and signed on its behalf by:


.....
Mr J Carter - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CARNFORTH FREE METHODIST CHURCH**

Independent examiner's report to the trustees of Carnforth Free Methodist Church

I report to the charity trustees on my examination of the accounts of Carnforth Free Methodist Church (the Trust) for the year ended 31 December 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

T M Preece

T M Preece FCCA
Association of Chartered Certified Accountants
Scott & Wilkinson LLP
Chartered Accountants
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

Date: ~~30~~ June 2021

CARNFORTH FREE METHODIST CHURCH**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
Income and endowments from					
Donations and legacies		143,395	161,096	304,491	200,379
Charitable activities					
Church activities		166	-	166	7,955
Investment income	2	21	-	21	52
Total		<u>143,582</u>	<u>161,096</u>	<u>304,678</u>	<u>208,386</u>
Expenditure on					
Charitable activities					
Church activities		72,093	2,205	74,298	111,879
NET INCOME		<u>71,489</u>	<u>158,891</u>	<u>230,380</u>	<u>96,507</u>
Reconciliation of funds					
Total funds brought forward		337,757	582,747	920,504	823,997
Total funds carried forward		<u>409,246</u>	<u>741,638</u>	<u>1,150,884</u>	<u>920,504</u>

The notes form part of these financial statements

CARNFORTH FREE METHODIST CHURCH

**BALANCE SHEET
31 DECEMBER 2020**

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
Fixed assets					
Tangible assets	7	167,079	-	167,079	167,277
Investments	8	-	1	1	1
		<u>167,079</u>	<u>1</u>	<u>167,080</u>	<u>167,278</u>
Current assets					
Debtors	9	188,231	741,637	929,868	685,418
Cash at bank		55,267	6,150	61,417	75,504
		<u>243,498</u>	<u>747,787</u>	<u>991,285</u>	<u>760,922</u>
Creditors					
Amounts falling due within one year	10	(1,331)	(6,150)	(7,481)	(7,696)
Net current assets		<u>242,167</u>	<u>741,637</u>	<u>983,804</u>	<u>753,226</u>
Total assets less current liabilities		<u>409,246</u>	<u>741,638</u>	<u>1,150,884</u>	<u>920,504</u>
NET ASSETS		<u>409,246</u>	<u>741,638</u>	<u>1,150,884</u>	<u>920,504</u>
Funds					
Unrestricted funds	11			409,246	337,757
Restricted funds				741,638	582,747
Total funds				<u>1,150,884</u>	<u>920,504</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 21 June 2021 and were signed on its behalf by:


.....
Mr J Carter - Trustee


.....
Mrs E Threlfall - Trustee

The notes form part of these financial statements

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

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

Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

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

Furniture and equipment - 25% Reducing balance

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

Going concern

There are no material uncertainties regarding the charity's ability to continue as a going concern.

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

2. Investment income	2020	2019
	£	£
Deposit account interest	21	52
	<u> </u>	<u> </u>

3. Grants payable	2020	2019
	£	£
Church activities	15,422	16,608
	<u> </u>	<u> </u>

The total grants paid to institutions during the year was as follows:

	2020	2019
	£	£
Education for Life	1,199	1,200
WEC	3,000	3,000
Sportsreach	600	600
Royal British Legion	-	25
NISCU	600	600
United Christian Broadcasters	240	240
Free Methodist Church	-	1,000
Creation Ministries	-	200
CRMI Children of Hope	-	1,000
Gateway Church	500	-
Teaching Aid	728	-
West End Impact	728	-
	<u> </u>	<u> </u>
	<u>7,595</u>	<u>7,865</u>

The total grants paid to individuals during the year was as follows:

	2020	2019
	£	£
Individuals	7,827	8,743
	<u> </u>	<u> </u>

4. Trustees' remuneration and benefits

The lead pastor, who is also a trustee, received remuneration for ministerial work done during the year. Rev C Murgu received gross pay of £26,538 (2019 - £25,595) and pension contributions of £1,860 (2019 - £1,860).

The total donations made by the trustees to the charity during the year amounted to £35,936 (2019 - £24,337).

No trustees expenses were paid during the current year, nor in the previous year.

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Trustees' remuneration and benefits - continued

Trustees' expenses

The trustees were reimbursed expenses of £73 (2019 - £1,155).

5. Staff costs

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

Charitable activities	2020	2019
	2	2
	<u>2</u>	<u>2</u>

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

6. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted funds £	Total funds £
Income and endowments from			
Donations and legacies	139,408	60,971	200,379
Charitable activities			
Church activities	1,283	6,672	7,955
Investment income	52	-	52
Total	<u>140,743</u>	<u>67,643</u>	<u>208,386</u>
Expenditure on			
Charitable activities			
Church activities	104,601	7,278	111,879
NET INCOME	<u>36,142</u>	<u>60,365</u>	<u>96,507</u>
Reconciliation of funds			
Total funds brought forward	301,615	522,382	823,997
Total funds carried forward	<u>337,757</u>	<u>582,747</u>	<u>920,504</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Totals £
Cost			
At 1 January 2020	164,260	25,345	189,605
Additions	-	300	300
At 31 December 2020	<u>164,260</u>	<u>25,645</u>	<u>189,905</u>
Depreciation			
At 1 January 2020	-	22,328	22,328
Charge for year	-	498	498
At 31 December 2020	<u>-</u>	<u>22,826</u>	<u>22,826</u>
Net book value			
At 31 December 2020	<u>164,260</u>	<u>2,819</u>	<u>167,079</u>
At 31 December 2019	<u>164,260</u>	<u>3,017</u>	<u>167,277</u>

8. Fixed asset investments

	Shares in group undertakings £
Market value	
At 1 January 2020 and 31 December 2020	<u>1</u>
Net book value	
At 31 December 2020	<u>1</u>
At 31 December 2019	<u>1</u>

There were no investment assets outside the UK.

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Debtors: amounts falling due within one year		2020	2019
		£	£
Other debtors		<u>929,868</u>	<u>685,418</u>
10. Creditors: amounts falling due within one year		2020	2019
		£	£
Other creditors		<u>7,481</u>	<u>7,696</u>
11. Movement in funds			
	At 1/1/20	Net movement in funds	At 31/12/20
	£	£	£
Unrestricted funds			
General fund	337,757	71,489	409,246
Restricted funds			
Building	582,747	158,891	741,638
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>920,504</u>	<u>230,380</u>	<u>1,150,884</u>
Net movement in funds, included in the above are as follows:			
	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	143,582	(72,093)	71,489
Restricted funds			
Gifts for specific purposes	2,205	(2,205)	-
Building	158,891	-	158,891
	<u> </u>	<u> </u>	<u> </u>
	161,096	(2,205)	158,891
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>304,678</u>	<u>(74,298)</u>	<u>230,380</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Movement in funds - continued

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	301,615	36,142	337,757
Restricted funds			
Building	522,382	60,365	582,747
TOTAL FUNDS	<u>823,997</u>	<u>96,507</u>	<u>920,504</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	140,743	(104,601)	36,142
Restricted funds			
Gifts for specific purposes	550	(550)	-
Building	60,365	-	60,365
Soccer school	2,435	(2,435)	-
Food bank	56	(56)	-
Men's ministry	4,077	(4,077)	-
Ladies ministry	160	(160)	-
	<u>67,643</u>	<u>(7,278)</u>	<u>60,365</u>
TOTAL FUNDS	<u>208,386</u>	<u>(111,879)</u>	<u>96,507</u>

CARNFORTH FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Movement in funds - continued

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

	At 1/1/19 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	301,615	107,631	409,246
Restricted funds			
Building	522,382	219,256	741,638
TOTAL FUNDS	<u>823,997</u>	<u>326,887</u>	<u>1,150,884</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	284,325	(176,694)	107,631
Restricted funds			
Gifts for specific purposes	2,755	(2,755)	-
Building	219,256	-	219,256
Soccer school	2,435	(2,435)	-
Food bank	56	(56)	-
Men's ministry	4,077	(4,077)	-
Ladies ministry	160	(160)	-
	<u>228,739</u>	<u>(9,483)</u>	<u>219,256</u>
TOTAL FUNDS	<u>513,064</u>	<u>(186,177)</u>	<u>326,887</u>

CARNFORTH FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

12. Related party disclosures

The charity provided a loan to CFMC Development Company Limited, a company of which the charity is the sole shareholder, to enable the company to undertake a building development. At the balance sheet date the amount due from CFMC Development Company Limited was £921,630 (2019 - £679,179).