

**EMSWORTH METHODIST CHURCH**

**ANNUAL REPORT AND**

**FINANCIAL STATEMENTS**

**for the year ended 31<sup>st</sup> August 2022**

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## Trustees' Report for 2021-22

### 1. Introduction

Emsworth Methodist Church & Pastoral Centre (EMCPC) is a serving and worshipping Christian Church in the heart of Emsworth, working closely with other churches and with the local community. We seek to offer a variety of different styles of Sunday Worship during the month and during the week we are open as a Pastoral Centre and welcome all for refreshment, friendship or just to offer a quiet space.

For further details see: [www.emsworthmethodistchurch.org](http://www.emsworthmethodistchurch.org)

We hope all who come will feel part of this supportive and caring church family as we seek to serve God in this place.

### 2. Administrative Information

Emsworth Methodist Church is registered with the Charity Commission as Charity Number 1127747. Correspondence should be addressed to either The Minister or Senior Steward or Treasurer at Emsworth Methodist Church & Pastoral Centre, 19 High Street, Emsworth, PO10 7AQ.

The Trustees are the members of the Church Council of Emsworth Methodist Church. The following are the Trustees at the date of this report, and served as Trustees during the year:

#### Ex officio members

Superintendent Minister	Revd David Muskett
Ministers	Revd Stephen Wright Deacon Stephen Richardson (from 1.9.22)
Circuit Steward	Matthew Thomas
Church Stewards	David Sawyer, Veronica Hickox
Treasurer	Peter Gregory
Pastoral Secretary	Diana Harris
Church Council Secretary	Alan Hickox

#### Other members

Rosemary Baker (to 30.4.22), Ruth Beechey, Marian Coles, Gill Cooper, David Cornelius, Sue Dudman, Geoffrey Eardley, Pamela Eardley, Diana Elliott, Marian Hughes, Margaret Sawyer, Alison Vaughan, Vivien Watson, Dot Warren

Anglican PCC observer	James Mant
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### 3. Purpose and Mission

EMCPC is part of the Methodist Church of Great Britain whose purposes are the advancement of:

- a) the Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;
- b) any charitable purpose for the time being of any Connexional, District, Circuit, local or other organization of The Methodist Church;
- c) any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church; and
- d) any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church.

The calling of The Methodist Church is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission. It does this through:

- worship
- learning and caring
- service
- evangelism

EMCPC is in the Southampton District whose Vision states 'We will be a District where Circuits, Local Churches and individuals of all ages are accompanied and encouraged to respond to the gospel of Jesus Christ and participate in God's mission in the power of the Holy Spirit.'

EMCPC's mission is to be a serving and worshipping Christian Church in the heart of Emsworth, working closely with other churches and with the local community. To achieve this mission we will:

- provide regular opportunities for worship and prayer, and explore new and different ways of worshipping;
- provide opportunities for people to explore and grow in the Christian faith and to enter into an experience that meets their needs;
- express the Christian gospel's servant role through the work of the Pastoral Centre, offering to all users a welcome, friendship and refreshment without prejudice or expectation;
- explore new community links and widen our network of volunteers;
- provide well-maintained premises, ensuring maximum flexibility of use, and make multifunctional use of the worship area, particularly as a Pastoral Centre;
- be a member of Christians Together in Emsworth, promoting ecumenical activity and seeking to strengthen our links with other Emsworth Churches;
- provide an enriching pastoral network for members and friends, and develop the provision of similar support for users of the Pastoral Centre;

- encourage community use of our premises;
- support Christian mission both at home and overseas;
- express Christian social responsibility in response to human need; and
- promote both education and support for the fight against world poverty.

#### **4. Structure and Governance**

The Trustees are appointed either by the General Church Meeting or the Church Council as defined in the Constitutional Practice and Discipline of the Methodist Church.

EMCPC is governed by the Church Council whose membership is listed in Section 2 of this report. The Council met on four occasions during the year.

During the year, the Church Council paid due diligence to its statutory responsibilities for areas such as the protection of children, young people and vulnerable adults (Safeguarding), Data Protection, Health and Safety, and Environmental Health. We confirm that the Trustees have had regard to the Charity Commission's guidance on public benefit.

The Church Council has identified and recorded major risks and adopted management actions to mitigate these. These include Covid-19 risk assessments, which have been undertaken prior to the church building being re-opened for worship and other activities following their suspension during the Coronavirus pandemic. Professional advice has been taken as required.

The internal organisation linked to this church is The Emsworth Methodist Church Ladies Group which met regularly during the year.

#### **5. Review of the Year's Activities**

With the lifting of restrictions caused by the Pandemic our church life has begun to return to a more normal pattern with regular Sunday morning worship and some other activities taking place. The Pastoral Centre has continued to provide a place of welcome, friendship and refreshment to all comers with tea, coffee and light refreshments. Our opening times have been extended. The Pastoral Centre is now open every morning of the week until the early afternoon. We are very grateful to our volunteers from all the churches of Emsworth and the wider community who staff the Centre and support its work with prayer. On 1<sup>st</sup> November 2021, our new Pastoral Centre Manager, Adrian Baldwin, commenced his duties. He has initiated several improvements to the Pastoral Centre; including a slight change of layout, making it a more attractive place to visit. He has reviewed the opening times and introduced new snacks – particularly hot ones. The old



"Activities Afternoon" has ceased to meet but a new group, 'Fun and Friendship', has been formed which meets on Thursday mornings.

In addition to the regular services of worship, the church, as always, marked the passing of the Christian year by appropriate celebrations, particularly at Harvest, Christmas and Easter. At Harvest we donated to our local Food Bank, and over the Christmas period there were donations to Stop Domestic Abuse and Portsmouth Homeless, and a collection for Action for Children. Other causes to benefit from special collections and donations during the year included Methodist Homes for the Aged (MHA), Methodist Missions (Home and Overseas), Methodist Ministers Housing Society, The Fund for the Support of Presbyters and Deacons, Methodist Church Fund for Property, The Methodist Church Fund for Human Need, Leaders of Worship & Preachers Trust, Leprosy Mission, Christians Together in Emsworth, Good News for Everyone and Traidcraft Exchange.

We are a collection point receiving donations for the New Life Church, Emsworth Food Bank. We continue to be an active member of Christians Together in Emsworth and were able to host the serving of refreshments after the Good Friday walk of witness.

This last year, with the impact of the Coronavirus Pandemic still being felt, has been a real challenge, but we continue to respond creatively and in different ways. Worship has been offered in alternative formats and the opportunity to join morning worship via Zoom continues. Café Church, which ceased to meet during the Pandemic, has now been relaunched. On the second Sunday evening of the month there is now a Reflective Service. Pastoral care has been offered by our network of pastoral carers, and others, in a variety of ways including personal visits, regular telephone calls and the distribution of printed material. It continues to be a real challenge for us in terms of the future work of the Church and Pastoral Centre but with the recent appointment of a new Deacon we are optimistic that we will be able to continue with our mission of service in our local community.

## **6. Financial Review**

As in previous years, income was derived from four main sources: offerings and donations (£50,022) and associated gift aid (£12,334), lettings of the buildings and flats (£25,800) and sales in the Pastoral Centre (£9,840). These, together with donations and other assorted income, gave a total income for the year of £98,625. The higher than usual income from offerings and donations (and gift aid) was due to generous donations to fund the purchase of a new organ. Income from lettings (£11,411) was still less than pre-covid, but about twice that of the previous year.

### **Expenditure trends**

The major item of expenditure was the assessment paid to the East Solent and Downs Circuit of £40,944; the same amount as the previous year. The other major items of expenditure relate to the employment of the Pastoral Centre Manager from 1 November (£11,338) and maintenance and services for the property (£13,857). Electricity and gas expenditure rose substantially. There were two unusual items of expenditure: first, a donation to the Methodist Ministers' Pension Fund (£15,000) and second, the purchase of a new organ (£15,667).

Total expenditure for the year was £109,740 resulting in a loss for the year of £11,115.

### **Assets and reserves**

At the year end, the unrestricted assets in the General Fund amounted to £83,681. This fund is significantly more than the 6 months specified in the reserves policy (see section 7). Designated Funds (development, pastoral centre support) remained almost unchanged at £41,675 compared with the end of August 2021.

Insurance values of the buildings and contents are £2,542,409 and £183,789 respectively.

### **Budget for 2022-23**

A budget showing a deficit of about £14,000 was approved by the Church Council in June 2022. This deficit is primarily a result of the decision to decorate the outside of the church. There is considerable uncertainty in the £10,000 allocated for utilities (mainly electricity and gas). Any shortfall at year end will be met from the General Fund.

### **7. Reserves Policy**

The Reserves Policy of the Trustees is to hold a minimum sum equivalent to six months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on the church building and/or to sustain payment of the assessment payable to the Circuit.

### **8. Trustees' Responsibilities in relation to the Accounts**

The Trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in business.

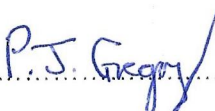
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.


The Trustees are responsible for the maintenance and integrity of the charity and financial information on the charity's website in accordance with legislation in the United Kingdom.

During the year, the recorded donations from Trustees to the general funds of EMCPC totalled £18,841.

Signed on behalf of the Trustees, following acceptance of this report at their meeting on 1<sup>st</sup> November 2022.

 Minister & Chair of the Church Council

 Treasurer

 Senior Steward



**EMSWORTH METHODIST CHURCH**  
**Statement of Financial Activities**  
**For The Year Ended 31st August 2022**

	Note	Unrestricted Funds	Restricted Funds	Total Funds	
				2022	2021
<b>Incoming Resources</b>					
Pastoral Centre Sales	(2)	9,840		9,840	1,753
Offerings & Donations	(2)	50,022		50,022	35,355
Miscellaneous	(2)	26,075		26,075	25,068
Bank Interest	(2)	354		354	278
Tax Rebates	(2)	12,334		12,334	8,415
Total Incoming Resources		<u>98,625</u>	<u>0</u>	<u>98,625</u>	<u>70,869</u>
<b>Resources Used</b>					
Circuit Assessment	(3)	40,944		40,944	40,944
Property	(3)	13,857		13,857	9,128
General Expenses	(3)	54,939		54,939	20,531
Total Recourses Used		<u>109,740</u>	<u>0</u>	<u>109,740</u>	<u>70,603</u>
<b>Net Incoming Resources</b>		<u>(11,115)</u>	<u>0</u>	<u>(11,115)</u>	<u>266</u>
Net Movement on Funds		(11,115)		(11,115)	266
Transfers between Funds		0		0	0
Other Gains/(Losses)		247,804		247,804	42,784
Balances Brought Forward as at 01.09.21	(4)	2,431,076	0	2,431,076	2,388,026
<b>Balance Carried Forward at 31.08.22</b>		<u>2,667,765</u>	<u>0</u>	<u>2,667,765</u>	<u>2,431,076</u>

**EMSWORTH METHODIST CHURCH**  
**Balance Sheet as at 31st August 2022**

	Note	2022	2021
<b>Fixed Assets</b>			
Church Buildings		2,542,409	2,294,605
<b>Current Assets</b>			
Stock		435	0
Debtors	(7)	8,978	9,301
Cash at Bank	(5)	18,159	18,870
Cash in Hand (Pastoral)		180	148
Short Term Deposits	(6)	<u>98,624</u>	<u>112,505</u>
		126,376	140,824
<b>Current liabilities</b>			
Amounts Falling Due Within One Year	(8)	(1,020)	(4,353)
<b>Net Current Assets</b>		<u>125,356</u>	<u>136,471</u>
Liabilities Falling due in more than one year		0	0
<b>Net Assets</b>		<u><u>2,667,765</u></u>	<u><u>2,431,076</u></u>
Represented by			
Unrestricted Funds			
General	(4)	83,681	94,840
Pastoral Centre Support	(4)	14,378	14,351
Development Fund	(4)	27,297	27,280
Property Fund	(4)	2,542,409	2,294,605
		<u><u>2,667,765</u></u>	<u><u>2,431,076</u></u>

**Internal Organisations**

	Opening balances	Receipts	Payments	Closing balances
Wesley Guild	47			47
Womens Group	875	175	(122)	928
	<u>922</u>	<u>175</u>	<u>(122)</u>	<u>975</u>

Signed  
Church Treasurer.....

*P.J. Gregory*  
1 November 2022

**1 Accounting Policies**

The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) - the Charities SORP (FRS 102).

Public Benefit Entity

Emsworth Methodist Church meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note below.

Basis

These accounts have been prepared on the basis of historical cost except that investments are shown at their market value at the end of the year, on the accruals basis to show a true and fair view of the Church's financial position and activities.

Going Concern

Based on monetary assets and human resources available at 31st August 2022 the trustees believe that the Church is a going concern.

Income

Income is included in the Statement of Financial Activities (SOFA) when the Church becomes entitled to the resources, and the trustees are reasonably certain they will receive the resources; and the monetary value can be measured with sufficient reliability.

The Church acts as agent for certain monies collected for other charities and related parties. These transactions are not reflected in the SOFA as they are not income of the Church. Instead the transactions are detailed in note 10 below.

Expenditure

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under legal or constructive obligation committing the Church to pay out resources.

Grants

Grants made by the Church from its own funds are recognised in full at the time of agreement or when the Church accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

VAT

Since the Church is not VAT registered, all input VAT is charged with the expenses to which it refers.

Tangible Fixed Assets for use by the Church

No value is placed on church furniture and fittings held by the Church Council on special trust for the Church. Any expenditure on such items whether maintenance or improvement is written off at the time of the expenditure. The freehold property is shown at insured value.

Investment Properties

No property is currently deemed to not be held for the long term purposes of the charity.

Investments

Investments are valued in the balance sheet at the market value at the year end. Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

Debtors and Prepayments

Debtors include outstanding lettings invoices in August.

Creditors

Creditors include outstandings relating to utilities, telephones etc in August.

## EMSWORTH METHODIST CHURCH

## Notes to the Financial Statements for the Year Ended 31st August 2022

	Unrestricted Funds			Total	2021
	General	Pastoral Support	Development		
2 Incoming Resources					
<u>Pastoral Centre Sales</u>	<u>9,840</u>			<u>9,840</u>	<u>1,753</u>
<u>Offerings &amp; Donations</u>					
Offerings	34,183			34,183	33,594
Donations	15,839			15,839	556
Legacies				0	1,205
	<u>50,022</u>	<u>0</u>	<u>0</u>	<u>50,022</u>	<u>35,355</u>
<u>Miscellaneous</u>					
Rent (flats)	14,389			14,389	13,052
Use of Premises	11,411			11,411	5,713
Photocopier				0	26
Government Grants				0	4,844
Other	275			275	1,433
	<u>26,075</u>	<u>0</u>	<u>0</u>	<u>26,075</u>	<u>25,068</u>
<u>Interest Received</u>					
CFB Deposit Fund	199			199	90
Trustees Interest Fund		96	59	155	188
	<u>199</u>	<u>96</u>	<u>59</u>	<u>354</u>	<u>278</u>
<u>Tax Rebates</u>					
Offerings	12,334			12,334	8,415
Pastoral Support				0	0
Fundraising				0	0
Development				0	0
	<u>12,334</u>	<u>0</u>	<u>0</u>	<u>12,334</u>	<u>8,415</u>
<u>Total Incoming Resources</u>	<u>98,470</u>	<u>96</u>	<u>59</u>	<u>98,625</u>	<u>70,869</u>



**EMSWORTH METHODIST CHURCH**  
**Notes to the Financial Statements for the Year Ended 31st August 2022**

	Unrestricted Funds			Total	2021
	General	Pastoral Support	Development		
<b>3 Resources Used</b>					
<u>Circuit Assessment</u>	<u>40,944</u>			<u>40,944</u>	<u>40,944</u>
<u>Property Expenses</u>					
Light and Heat	8,815			8,815	2,913
Water	390			390	363
Repairs and Renewals	693			693	1,892
Cleaning	2,223			2,223	2,255
Insurance	1,736			1,736	1,705
	<u>13,857</u>	<u>0</u>	<u>0</u>	<u>13,857</u>	<u>9,128</u>
<u>General Expenses</u>					
Pastoral Centre Manager	11,338			11,338	6,884
Telephone	407			407	436
Office supplies	742			742	631
Subscriptions and Donations (see note 9)	2,772			2,772	2,942
Pastoral Centre Food etc	2,281			2,281	737
Repairs and Renewals	3,032			3,032	5,753
Bank Charges	379			379	254
Independent Examiners Fee	1,020			1,020	1,020
TMCP Admin. Charge		69	42	111	111
Donation to Pension Fund	15,000			15,000	0
Organ	15,667			15,667	0
Miscellaneous	2,190			2,190	1,763
	<u>54,828</u>	<u>69</u>	<u>42</u>	<u>54,939</u>	<u>20,531</u>
<u>Total resources Used</u>	<u>109,629</u>	<u>69</u>	<u>42</u>	<u>109,740</u>	<u>70,603</u>

**EMSWORTH METHODIST CHURCH**  
**Notes to the Financial Statements for the Year Ended 31st August 2022**

4 Analysis of Movement of Funds

	---Unrestricted Funds---			
	General Fund	Pastoral Centre Support Fund	Development Fund	Property Fund
<b>Balance Brought Forward 01.09.2021</b>	94,840	14,351	27,280	2,294,605
Incoming Resources	98,470	96	59	
Outgoing Resources	(109,629)	(69)	(42)	
Revaluation				247,804
Transfers between Funds				
<b>Balance Carried Forward 31.08.2022</b>	83,681	14,378	27,297	2,542,409
	<u>£2,667,765</u>			

	2022	2021
5 <u>Analysis of Cash at Bank</u>		
Barclays Bank General Account	14,447	16,239
Barclays Bank SO Account	3,712	2,631
	<u>18,159</u>	<u>18,870</u>
6 <u>Analysis of Short Term Deposits</u>		
Central Finance Board of the Methodist Church	42,132	56,062
TMCP Trustees Interest Fund	56,492	56,443
	<u>98,624</u>	<u>112,505</u>
7 <u>Analysis of Debtors</u>		
Prepayments - General Fund	2,050	2,149
Tax Repayments	3,857	3,740
Circuit Assessment in Advance	3,071	3,412
	<u>8,978</u>	<u>9,301</u>
8 <u>Analysis of Creditors Payable in One Year</u>		
Independent Examiners Fees	1,020	1,020
Accruals		200
Other Creditors		3,133
	<u>1,020</u>	<u>4,353</u>

**EMSWORTH METHODIST CHURCH**  
**Notes to the Financial Statements for the Year Ended 31st August 2022**

9 Analysis of Subscriptions and Donations (Payments)

**2022**

PCC	132
Christians Together	410
Leaders for Worship	100
Methodist Ministers Housing	125
FSPD	135
All We Can	200
MHA	200
Fund for Property	120
Action For Children	300
Fund For Human Need	400
Traidcraft	200
Stop Domestic Abuse	200
Trinity Methodist	150
Good News	100
	<hr/>
	2772
	<hr/>

10 Agency Collections & Payments

	<b>Brought forward 1 Sep 21</b>	<b>Receipts</b>	<b>Payments</b>	<b>Carried forward 31 Aug 22</b>
All We Can	0	4100	(4100)	0
Fund for Human Need	0	1113	(1113)	0
Action for Children	0	794	(794)	0
World Mission	0	269	(269)	0
Leprosy Mission	0	513	(513)	0
MHA	0	392	(392)	0
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	0	7181	(7181)	0
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## **Independent Examiner's Report to the Trustees of Emsworth Methodist Church For the Year Ended 31 August 2022**

This report on the accounts of the Church for the year ended 31 August 2022, which is set out on pages 9 to 15, is in respect of an examination carried out in accordance with Section 145 of the Charities Act 2011 (the Act).

### Respective Responsibilities of the Trustees and Examiner

As Trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of the Regulations and Section 144(2) of the Act do not apply. It is my responsibility to issue this report on those accounts in accordance with the terms of the Regulations.

### Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission under Section 145(5)(b) of the Act. That examination includes a review of the accounting records kept by the Church and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the accounts and seeking explanations from you as Trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

### Independent Examiner's Statement

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

- (1) which gives me any reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with Section 130 of the Act; and
  - to prepare accounts which accord with the accounting records and to comply with the requirements of the Act, as also contained in the Church Accounting Regulations 2006

have not been met; or

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



I D Shaw FCCA  
Hughes Spencer  
12 Acorn Business Park  
Northarbour Road  
Portsmouth  
Hampshire  
PO3 6TH

27 October 2022