

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended
31 August 2021

Charity Number 1128907

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2021

Annual Report 2021

Welcome to our Annual Report.

Six months after the start of coronavirus pandemic we entered the year 2020/21 cautiously looking forward to some church and community groups returning to the church premises for their weekly and monthly activities. Sunday morning worship services recommenced in the church building at the beginning of September 2021 and were also available to join on zoom so as many people as possible were able to gather for worship. Many thanks to the technical team who made this possible and operated the system every week. As Methodists we particularly missed the congregational singing in the building, an added advantage of zoom worship was that each person could sing to their heart's content. Perhaps this was the impetus for the introduction of Zoom Praise, a songs of praise style service held monthly on a Sunday evening on zoom only so all could join in the singing.

The coronavirus pandemic taught us all the value of zoom, not just for during periods of lockdown, but as a valuable extra dimension for worship services, as mentioned above, and as an alternative 'venue' for meetings, both business and social. Church prayer groups and coffee mornings as well as business meetings have continued to be held on zoom throughout this year as a choice rather than a necessity. Unfortunately, new variants of Covid meant the number of coronavirus cases rose again and by the beginning of 2021 they had soared to such a level that another national lockdown was put in place and all worship and activities were held on zoom again.

Easter was a turning point, a new start in many ways. As we celebrated Jesus' resurrection we were again able to worship in the church building. Again, church and community groups began planning their return to face to face activities on the premises. Members of the Business Team were very involved throughout the year in assisting with, and approving, Risk Assessments and Action Plans for the groups as they went through this planning process, and I do thank them for all their work in this arduous task. This was also time for considering how we, God's people in this place, could fulfil our mission of developing a church family which is continually growing in Christian faith, worship and outreach in new ways. One area we recognised that we could offer support was with new parents as many had had such little, if any, contact with other new parents during the coronavirus pandemic. So, our Children's and Family Worker introduced a parent and baby support group for new parents, which was very much appreciated by the new parents who attended. Another area where we recognised we could serve the community in a new way was due to the number of people who had been bereaved during the pandemic when contact with family and friends, and gatherings for funerals, had been severely restricted. Some members of the Pastoral team attended sessions in bereavement care and started planning for a bereavement support group. In addition outdoor activities were introduced for families with Messy Church walks during the summer.

It has been a year when we have had to be ready to respond to changes due to the coronavirus, we have had to be adaptable and resourceful and I am very grateful to all who contributed in some way, whether big or small, to the mission of Mickleover Methodist Church during this year.

In the year ahead, may we all continue to seek God's will for ourselves and for Mickleover Methodist Church, constantly looking to Jesus so that others may know the love of God through Christ.

Your friend and minister, Gill
Rev Gill Sharp, Minister with Pastoral Charge.

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Trustees' Annual Report

The trustees present their report and financial statements for the year ended 31 August 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: statement of recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland effective on 1 January 2019.

PUBLIC BENEFIT

The Trustees confirm that they have complied with their duties under Section 17 of the 2011 Charities Act with regard to Public Benefit.

AIMS AND OBJECTIVES

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

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

Our objectives are in line with those of the Methodist Church which are: -

- **Worship** - The Church exists to increase awareness of God's presence and to celebrate God's love.
- **Learning & Caring** - The Church exists to help people to grow and learn as Christians, through mutual support and care.
- **Service** - The Church exists to be a good neighbour to people in need and to challenge injustice.
- **Evangelism** - The Church exists to make more followers of Jesus Christ.

Mission Statement and Our Aims

Mickleover Methodist Church's mission is to develop a church family which is continually growing in Christian faith, worship and outreach so that all may know the love of God through Christ. We achieve this as we commit ourselves to God in spiritual growth through prayer and bible reading and stewardship of time, talents and money.

TO BE GOD'S PEOPLE EVERYWHERE EVERYDAY

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Our Regular Activities

All are welcome to join in our activities whether members of the Church or not.

When planning our activities, the Church Council and Leadership Team have considered the Charity Commissioners guidance on public benefit and in particular, the specific guidance on charities for the advancement of religion. Our regular charitable activities are:

- Promotion of Christianity through diverse worship and other events for all ages.
- The teaching of Christianity through sermons, courses, and small groups.
- Activity and fellowship groups for our church community.
- Caring for our church members and community including visiting the sick and bereaved.
- Promotion of Christianity through the staging of events and services for all ages
- Providing a space for non-church community activities
- Supporting local UK and overseas charities
- Working with other churches in Mickleover
- Preschool (OFSTED registered)
- Young people's activities including Scouts, Cubs Beavers, Girl's Brigade

Volunteers

In order for all the Church's activities to take place we rely on, and are indebted to, the work of everyone who undertake these tasks voluntarily. There are approximately 70 volunteers working throughout the church to ensure its activities are run effectively, efficiently and safely.

Another difficult year!

The church reopened in summer 2020 only to close again as Covid infections rose. We were however able to celebrate Christmas in church and to have our usual nativity decorations on show for the community. This was curtailed again as we went into another lockdown. During all this time we maintained regular online services, prayer and coffee groups. A weekly service sheet continued to be delivered to those without IT connections, and we maintained regular contact with our church community via email and phone calls.

Contact with families and children, those who attended Little Micklers and Messy Church, has been via our face book page, emails, phone calls and the delivery of activity packs coordinated by our Children's and Families worker and many volunteers.

We are grateful for the work undertaken by the Business Team to enable us to put suitable precautions in place to allow the safe reopening of the building and the gradual restart of our face to face church and community activities.

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OUR ACHIEVEMENTS ON OUR PRIORITIES FOR 2020/2021

We used the Methodist Church Mission Plan template which aligns our priorities with the 4 aspects of Our Calling.

Worship

Building on the Informal Worship we have started, further developing adult/family worship every week as an integral part of the diverse worship of our "One Church".

- A monthly 'Songs of Praise' service was started on zoom in which people choose a hymn, song, poem or prose and briefly explain what it means to them.
- Worship at 4pm continued monthly on zoom up until the summer.
- Morning worship continues to be transmitted live on zoom from church for those unable to attend in person. Our use of this technology continues to expand.

Learning and Caring

Encouraging and enabling more people to seek to deepen and develop their faith through prayer, bible study and small groups, including effective use of video conferencing where appropriate.

- The Ecumenical Talking Jesus Course restarted again on zoom
- We studied the Methodist Way of Life both in worship and house groups
- Some Bible Study and House groups continued where possible on zoom
- Online twice weekly prayer groups were held
- We were able to meet in person at summer garden get togethers

Service

Respond to the unmet or emerging needs of our community by exploring new avenues of service, in partnership where appropriate; and supporting ways we serve the community and our charities, both financially and practically.

- We asked the community for embroidered or similar squares to make a Banner of Hope
- Flowers for Mothering Sunday were left on the cycle track for the community to take.
- Christmas boxes of chocolates, biscuits and games were donated to the 'Safer Families' Charity
- Suggestions were made for alternative Christmas gifts for charities
- Our Harvest appeal collection of food toiletries etc. went to the Padley Centre
- We made up shoe boxes for children in Eastern European Countries 'Love in a box'
- All children who had come to our Little Micklers group and who were starting school received a present.
- We continued to collect food and household items for the local food bank

Evangelism

Enable more people to recognize God in their life, know how the gospel has impacted them and be confident in sharing this with others both within and outside of our current church community.

To grow new communities of followers of Jesus enabling those in Missing Generations who meet across our church activities and those in our community to grow in faith individually and collectively, nurturing a sense of belonging.

- We put stars on our windows as signs of hope during the pandemic.
- We delivered Christmas cards to a local new housing estate
- Activity packs were delivered to families with children
- A Christmas and Easter Trail was held round the village for children and families

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PRIORITIES FOR 2021/22

Covid has enabled us to think carefully about what our priorities should be for the coming years and we consulted with the congregation on our dreams for the church's 5 year plan. The Leadership Team then distilled these into a few priorities which we could work on in the coming year. We don't expect to have everything completed but to use these as stepping stones and we plan to reassess them in a year's time.

1. Offering a wide range of worshipping opportunities that attract those inside and outside the church and help us to worship God in spirit and in truth

- Create a baseline of current number of people worshipping
- Start a singing/music group
- Develop a new pattern of worship post covid – online and face to face
- Introduce one new style of worship
- Encourage existing and potential congregation to try different styles of worship

2. Offering a wide range of opportunities other than worship to help those inside and outside grow in the knowledge and love of God

- Review uptake of opportunities for church members
- Organise 2 new opportunities; 1 for congregation; 1 for the community
- Conduct a survey of where people are on their journey of faith

3. Our building to become a thriving Christian Community so that the people of Mickleover see the Church as a place of support, acceptance and love

- Review the use of the building to check space and usefulness to the community and availability to church
- Re-start church-based activities that outreach to the community
- Review and develop better methods of communications
- Start at least one new activity to meet local community needs
- Conduct survey of groups using the building, re sense of belonging and what church could do to help

4. God's people to be equipped and challenged to transform the world

- Have a service series on social action
- Develop the Eco Church theme corporately and individually
- Do an assets survey of church people and their involvement in social action

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FINANCIAL REVIEW

The finances of the Church were still affected by the corona virus pandemic just like many other organisations and charities. Our income remained static compared to the previous year and it is thanks to our members generous giving that the final deficit was as low as it was and the reasons are detailed below. Our support for other Methodist causes and external organisations also continued to suffer.

Income trends

The Statement of Financial Activities shows total incoming resources of £207.1k, a small decrease of approximately 0.25% on the previous year. Income from weekly offertories and Gift Aid income totalled £81.1k which equates to 39.2% of the total income and represents a 1.3% increase in personal giving on the previous year. As a Charity registered for Gift Aid, we received approximately £14.4k from the Inland Revenue for all donations and regular giving through the Gift Aid scheme. Income for offerings and regular giving through monthly standing orders and the weekly envelope scheme accounts for a major proportion of our income.

The rental income of £23.4k was received from all sources including the hire of the church halls to various groups and individuals in the community. Income from the two cottages that the Church Council manage contributed £11.1k of the total income from lettings.

Expenditure trends

The greater part of the income has been used to make payment of £59.1k to the Derby Circuit for our proportion of the Circuit Assessment. This amounts to approximately 26.4% of our total costs and decreased by 7% on the previous year. A significant amount of the Circuit assessment is used to pay the District assessment, stipends and related costs to Ministers. The other expenditure covers the running costs of the local church and these have enabled us to meet the financial commitments of carrying out its charitable objectives.

There is a deficit in funds of £16.2k for the year although this does include approximately £13.3 for depreciation of the organ and AV equipment. The total fund balance now stands at £1,931.1k of which £47.4k is for restricted funds.

Fund balances

As at 31 August 2021 the net current assets of the Church were £102.6k which is more than sufficient to provide four months' cover for expenditure.

The restricted net current assets of the Church at 31 August 2021 were £47.4k giving approximately six month's cover for expenditure.

Plans for 2022/23

Church financial plans for the coming year have been prepared on the basis of an average of the previous three years subject to any specific anomalies within those figures. Any specific items planned for the coming year have also been incorporated into the financial plan.

Reserves Policy

The Church Council has considered the level of reserves which should be maintained within the Charity and this will be reviewed annually. Such reserves are needed for each fund to cover working capital, the risk of possible shortfalls in charitable income and other contingencies.

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The **General Fund** is required to meet our contribution to the Derby Circuit for ministerial stipends, our current mission and outreach plans together with the normal running expenses associated with the church. Personal giving plus tax recovered from Gift Aid and income from lettings is sufficient to meet our contribution as our share of the Circuit Assessment and general running costs of the premises.

It is our policy, if funds allow, to retain reserves of: -

- £40.9k which equates to 4 months working capital
- £11.1k for the depreciation of the AV equipment over the next three years
- £18.6k for specific refurbishment and replacement projects on the church building
- £20k to cover employment costs for 1 year for a Children & Families Worker
- £12k for major repairs to the two cottages owned by the Church.

This reserve policy will be reviewed on an annual basis.

There is a further £47.4k held in other restricted funds which will be used according to their designation.

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REFERENCE AND ADMINISTRATIVE INFORMATION

NAME OF CHARITY	Mickleover Methodist Church
CHARITY NUMBER	1128907
DATE OF REGISTRATION	31 March 2009
PRINCIPAL OFFICE ADDRESS	Mickleover Methodist Church Station Road Mickleover Derby DE3 9GH Tel: 01332 735052
EMAIL	Mick.meth2@gmail.com
WEBSITE	www.mickleovermethodist.org.uk

The members of the Mickleover Methodist Church meeting are the Charity Trustees, membership being made up of church office holders, Minister and representatives appointed by the church at the Annual General Meeting.

A full list of Church Council members and key lay employees are shown on page 9 of this report.

TREASURER	Mr John Spray
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The Treasurer acted as the principal officer overseeing the day-to-day financial management and accounting for the Church during the year.

INDEPENDENT EXAMINER	Mrs D J Lockwood Haines Watts Chartered Accountants Cliffe Hill House 22-26 Nottingham Road Stapleford Nottingham NG9 8AA
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BANKERS	HSBC Plc 1 St Peter's Street Derby DE1 2AE Central Finance Board of the Methodist Church 9 Bonhill Street London EC2A 4PE
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Members of the Church Council – Officers, Advisors and Lay Workers

	Position	Appointed by
Ministers		
Rev Gill Sharp	Chairman	Ex-officio
Rev Colin Emerson	Circuit Minister	Ex-officio
Vacant	Circuit Minister	Ex-officio
Marilyn Bagworth	Secretary to Church Council	Ex-officio
John Spray	Treasurer	Ex-officio
Dot Thompson	Secretary to the Pastoral team	Ex-officio
Leadership Stewards		
Janet Patmore	Worship	Ex-officio
Viv Richard	Fellowship	Ex-officio
Dot Thompson	Learning and Pastoral	Ex-officio
Janet Tristram	Community and Service	Ex-officio
Derrick Tuplin	Evangelism & Mission	Ex-officio
Laraine Tuplin	Resources & Secretarial	Ex-officio
Policy Protection Officers		
Meryl Spray	Safeguarding Officer	Church Council
Michelle Woodcock	Safeguarding Officer	Church Council
Other Members		
John McCartney	Circuit Steward	Ex-officio
Mike Bagworth	Church Member	ACM*
Ian Clark	Church Member	ACM
Margaret Clark	Church Member	ACM
Ray Forey	Church Member	ACM
Pam Morgan	Church Member	ACM
Phil Royle	Church Member	ACM
Margaret Vincent	Church Member	ACM
Sue Atherton	Children & Families Worker Management	Church Council
Mike Shooter	Ecumenical Officer	Church Council
Richard Morgan	Health & Safety Representative	Church Council
Anna Forey	Chair of the Business Team	Church Council
Sally Levitt	Secretary to the Business Team	Church Council
Margaret Clark	Preschool Management Representative	Church Council
Richard Morgan	Scout Group Representative	Church Council
Dot Thompson	Girls Brigade Representative	Church Council

*ACM – Annual Church Meeting

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Mickleover Methodist Church is a registered Charity (registered charity no. 1128907) and is governed by the Deed of Union (1932) and Methodist Church Act (1976). It is one of twenty one Methodist Churches that form the Derby Circuit which in turn is part of the Nottingham & Derby District and is also accountable to the Methodist Conference.

The registered Charity is a subsidiary of the Methodist Church of Great Britain (Registered Charity no. 1132208).

Organisational Structure

The members of the Church Council are the Managing Trustees of the Charity and are responsible for the aims and objectives of the organisation. It delegates areas of its work to the new Leadership Stewards with the help of the Pastoral and Business Teams. The responsibilities of these teams are:

Leadership Stewards – Jointly responsible, with the minister in pastoral charge, to give leadership and co-ordination over the whole range of the life and activity of the church. Each steward has responsibility for evangelism, fellowship, learning & pastoral, missing generations, mission and service, resources and worship.

Pastoral Team – Responsible for and provides information to the Church Council on all aspects of care and well-being of all people associated with the church.

Business Team – Responsible for and advises the Church Council on all matters relating to financial control, health and safety and property management.

Election and Appointment of Officers

The Church Council consists of the following ex-officio officers:

Three active Circuit Ministers,
The Leadership Stewards,
The Church Treasurer,
The Secretary of the Pastoral Team,
The Secretary of the Church Council meeting,
And one Circuit Steward (appointed by the Circuit).

In addition, the Annual Church Meeting (ACM) appoints between six and fifteen members to the Council. The Church Council may appoint a maximum of fifteen further persons to ensure that all areas of the church's life are adequately represented and in particular that, wherever possible, young people are included in its membership.

The Chair of the Church Council is appointed by the Superintendent Minister of the Circuit, and is usually the Minister given pastoral charge of the Church.

All office holders and members of the Church Council are appointed annually, and may serve for a maximum of six years. This limit may be extended if it would otherwise be impossible to adequately fill an essential office. A list of members of the Church Council is shown on page 9.

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Trustee Training

A range of guidance produced by Methodist Connexion to support the effective running of the church and the role of the Trustees is given to the Church Trustees at various meetings and training sessions.

Risk Management

The Church Council oversees the strategic risk of the organisation with operational risk assessment and management being delegated to the Business Team. Risk control is exercised appropriately by members of the Business Team undertaking a formal review of strategic and operational risks for the organisation. Risk management is encouraged into the organisation by the Business Team coordinating the risk reviews and obtaining feedback from all users of the premises. The major risks have been identified and recorded by the trustees with professional advice taken as required. There is a regular annual review process undertaken and recorded.

Income and expenditure is monitored in total and is compared with the approved annual budget on a quarterly basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

Safeguarding

Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing an image of God and therefore to protect them from harm.

Many children and adults use the premises by attending the activities organised by the church and various external organisations. With this in mind, Mickleover Methodist Church has adopted the Methodist Connexional practice to safeguarding which outlines commitment to the following principles:-

- The care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- The safeguarding and protection of all children, young people and adults when they are vulnerable
- The establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse
- We will carefully select and train all those with any responsibility within the church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation
- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.
- In all these principles we will follow legislation, guidance and recognised good practice

Our safeguarding policy is updated and approved annually and is managed by the safeguarding officers appointed by Church Council.

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Related parties

The following organisations are an integral part of this church:-

149th Derby Beaver, Cub and Scout group (Sponsored organisation)
10th Derby Girls Brigade Company
Mickleover Methodist Pre-school
Women's Fellowship Group
Wesley Guild Fellowship Group
Little Micklers Childrens Group
Funtime

STATEMENT OF TRUSTEES' RESPONSIBILITIES

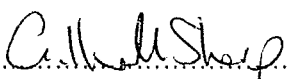
The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

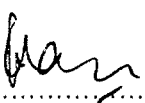
The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provision of the Trust Deed require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure of the Charity for the financial year. In preparing those financial statements, the Trustees are required to:

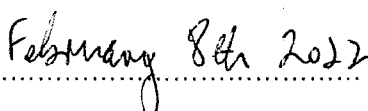
- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the appropriate charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standard have been followed, subject to any material departures that must be disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for maintaining the proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice; Accounting and Reporting by Charities.


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On behalf of the Trustees-Rev Gill Sharp


.....
Treasurer – John Spray


.....
Date

**Independent Examiner's Report to the Trustees of
Mickleover Methodist Church**

I report to the Trustees on my examination of the accounts of the Mickleover Methodist Church (The Trust) for the year ended 31 August 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 2011 Act and in carrying out my examination I have followed all the 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.

D. Lockwood

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Diane Lockwood FCA, FCCA, ATT(Fellow)
Haines Watts Chartered Accountants
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham
NG9 8AA

Date: *11 February 2022*

Mickleover Methodist Church
Statement of Financial Activities
For The Year Ended 31 August 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
INCOMING RESOURCES							
Donations and Legacies	2(a)	88,242	3,754	91,996	83,970	3,368	87,338
Charitable Activities	2(b)	17,172	86,779	103,951	21,588	87,033	108,621
Investment Income	2(c)	113	-	113	892	-	892
Investment Property Income	2(c)	11,100	-	11,100	10,847	-	10,847
TOTAL INCOMING RESOURCES		116,627	90,533	207,160	117,297	90,401	207,698
EXPENDITURE							
Expenditure on Charitable Activities	3(a) -3(b)	135,034	88,340	223,374	176,736	82,887	259,623
TOTAL EXPENDITURE		135,034	88,340	223,374	176,736	82,887	259,623
Net gains (losses) on investments assets – unrealised		-	-	-	-	-	-
NET INCOME/EXPENDITURE		(18,407)	2,193	(16,214)	(59,439)	7,514	(51,925)
Transfer Between Funds		-	-	-	380	(380)	-
Net Movement in Funds		(18,407)	2,193	(16,214)	(59,059)	7,134	(51,925)
RECONCILIATION OF FUNDS							
Total funds brought forward		1,902,145	45,171	1,947,316	1,961,204	38,037	1,999,241
TOTAL FUNDS CARRIED FORWARD	7	1,883,738	47,364	1,931,102	1,902,145	45,171	1,947,316

Mickleover Methodist Church
Balance Sheet as at 31 August 2021

	Note	Restricted Funds £	Unrestricted Funds £	2021 £	2020 £
FIXED ASSETS					
Tangible Fixed Assets	4	-	1,534,113	1,534,113	1,547,423
Fixed Asset Investments	6	-	247,000	247,000	247,000
Total Fixed Assets		-	1,781,113	1,781,113	1,794,423
CURRENT ASSETS					
Sundry Debtors		63	24,067	24,130	23,397
Investments		25,904	77,174	103,078	108,102
Cash at bank and in hand		37,552	7,664	45,216	41,593
Total Current Assets		63,519	108,905	172,424	173,092
CREDITORS: Amounts falling due within one year					
Sundry Creditors		16,155	3,880	20,035	17,799
		(16,155)	(3,880)	(20,035)	(17,799)
NET CURRENT ASSETS		47,364	105,025	152,389	155,293
TOTAL ASSETS LESS CURRENT LIABILITIES		47,364	1,886,138	1,933,502	1,949,716
CREDITORS					
Amounts falling due after more than one year	5	-	(2,400)	(2,400)	(2,400)
NET ASSETS		47,364	1,883,738	1,931,102	1,947,316
REPRESENTED BY FUNDS					
Unrestricted funds	-	General		1,596,597	1,609,377
	-	Designated		287,141	292,768
Restricted funds				47,364	45,171
TOTAL CHARITY FUNDS	8			1,931,102	1,947,316

Approved by the Church Council on 8 - 2 - 2022 and signed on its behalf by:

Rev Gill Sharp - Minister

Gill Sharp

Mr John Spray - Treasurer

John Spray

Dated -

February 8th 2022

The notes on pages 16 to 22 form part of these financial statements

Mickleover Methodist Church
Notes to the Financial Statements
for the year ended 31 August 2021

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective on 1 January 2019, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and Charities Act 2011. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The church constitutes a public benefit entity as defined by FRS102.

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

The financial statements are presented in sterling (£).

Funds

Unrestricted funds represent the funds of the Church that are not subject to any restrictions regarding their use and are available for application on the general purposes of the Church. These may include funds designated for a particular purpose by the Church.

The purpose of any restricted funds is noted in the accounts.

The accounts only include transactions, assets and liabilities for which the Church can be held responsible.

Incoming Resources

Voluntary income and capital sources

Collections and regular giving are recognised when received by or on behalf of the Church.

Income tax recoverable on covenanted or gift aid donations is recognised when claimable.

Grants to the Church are accounted for when received as soon as the Church is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the Church is reasonably certain.

Funds raised by social and similar events are accounted for gross.

Other ordinary income

Rental income from the letting of church premises is accounted for when the hiring takes place and also for two properties owned shown as Fixed Asset Investments.

For legacies, entitlement is taken as the earlier of:

- the date on which the charity is aware that probate has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made; or
- when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Mickleover Methodist Church

Notes to the Financial Statements for the year ended 31 August 2021 – continued

Donated Services and Facilities

Donated services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt, where this can be quantified.

Income from investments

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Realised gains and losses

Realised gains or losses are recognised when investments are sold and are calculated as the difference between sales proceeds and the previous year end market value.

Unrealised gains or losses are accounted for on revaluation of investments at their year end market values.

Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred and includes VAT where appropriate, which cannot be recovered. This is recognised when a liability is incurred or a constructive obligation arises that results in the payment being unavoidable.

Giving

Grants and donations are accounted for when paid.

Costs directly related to the work of the church

The Church assessment is accounted for when payable and any amount unpaid at the year end is shown as a creditor in the Balance Sheet or debtor should the amount be paid in advance.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Fixed Assets

Land and buildings

Land and buildings held on behalf of the Church for its own purposes are shown at cost. No depreciation is charged on land and buildings as the residual value is believed to be higher than historical cost. Previously the assets were held at a revalued amount, these are now shown at cost and this has resulted in a revaluation adjustment.

Equipment and other fixtures and fittings

Equipment used for church purposes is depreciated over a 10 year period individual items of equipment with a purchase price of £1,000 or less are written off in the period in which the asset is acquired.

Investments

Two properties at 34 and 36 Station Road, Mickleover, Derby – these are not depreciated and are included at fair value as unrestricted assets.

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Notes to the Financial Statements
for the year ended 31 August 2021 - continued

Pension costs

The church operates a defined contribution pension scheme with Standard Life. Contributions payable to the church pension scheme are charged in the period to which they relate.

Debtors & Prepayments

Debtors includes outstanding letting invoice in August.

Creditors

Creditors includes outstanding item relating to utilities and services payable after the year end date supplied before that date. Creditors and provisions are normally recognised at their settlement amount.

Financial Instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Judgements and Key Sources of Estimation Uncertainty

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

2. INCOMING RESOURCES	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
2(a) Donated Income – Voluntary				
Collections and regular giving	62,968	3,754	66,722	64,398
Gift Aid recoverable	14,409	-	14,409	15,707
Donations (National and Local)	10,865	-	10,865	7,233
Total Donations and Legacies	88,242	3,754	91,996	87,338
2(b) Gross income from events and activities				
Other Income – Internal Organisation	-	86,755	86,755	86,314
Fund Raising Events	660	-	660	2,067
Lettings Income	12,263	-	12,263	12,906
Sundry and Legacy Income	4,249	24	4,273	7,334
	17,172	86,779	103,951	108,621
2(c) Investment Income				
Bank interest	113	-	113	892
Investment Property Income	11,100	-	11,100	10,847
	11,213	-	11,213	11,739
TOTAL INCOMING RESOURCES	116,627	90,533	207,160	207,698

Letting income - is used solely to enhance the activities of the church and its objectives.

Trustees aggregate giving for the year totalled £29,625 (2020: £26,950).

Mickleover Methodist Church

Notes to the Financial Statements for the year ended 31 August 2021 – continued

3. RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
3(a) Giving				
Grants and Donations	-	-	-	3,168
Connexional Funds	1,625	-	1,625	1,625
	<u>1,625</u>	<u>-</u>	<u>1,625</u>	<u>4,993</u>
3(b) Directly related to the work of the Church				
Circuit Assessments	59,060	-	59,060	63,492
Internal Organisation	-	18,215	18,215	14,661
Insurance and Utilities	8,460	-	8,460	8,137
Property Expenditure	21,601	-	21,601	57,544
Office and other costs	7,708	3,754	11,462	11,113
Salaries	23,270	66,371	89,641	86,373
Depreciation	13,310	-	13,310	13,310
	<u>133,409</u>	<u>88,340</u>	<u>221,749</u>	<u>254,630</u>
Total Resources Expended	<u>135,034</u>	<u>88,340</u>	<u>223,374</u>	<u>259,623</u>

Other costs include the Independent Examination fee of £750.

4. TANGIBLE FIXED ASSETS

		Freehold Land and Buildings £	Equipment £	Total £
Cost	At 1 September 2020	1,475,000	114,506	1,589,506
	Additions	-	-	-
	At 31 August 2021	<u>1,475,000</u>	<u>114,506</u>	<u>1,589,506</u>
Depreciation	At 1 September 2020	-	42,083	42,083
	Charge for Year	-	13,310	13,310
	Disposals	-	-	-
	At 31 August 2021	<u>-</u>	<u>55,393</u>	<u>55,393</u>
Net Book Value	At 31 August 2021	<u>1,475,000</u>	<u>59,113</u>	<u>1,534,113</u>
	At 31 August 2020	<u>1,475,000</u>	<u>72,423</u>	<u>1,547,423</u>

The freehold land and buildings comprise the land and property at Station Street, Mickleover.

The Church building and the cottage are currently insured for £2,860,197. A revaluation in 2017 reduced the value of the land and buildings to the original cost.

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

	2021 £	2020 £
Church of North India Partnership	<u>2,400</u>	<u>2,400</u>

The church has committed to support the training of a Presbyterian in the Church of North India, a commitment of £600 for 4 years which started in 2013/14. At present the church is waiting to hear the name of the Presbyterian it is supporting and therefore the amount remains unpaid.

Mickleover Methodist Church

Notes to the Financial Statements for the year ended 31 August 2021 – continued

6(a) Investment Properties

Two properties at Station Road, Mickleover, Derby, DE3 9GH

	No. 34 £	No. 36 £	Total £
Valuation as at 24 August 2016 undertaken by Graham Penny.	142,000	105,000	247,000

The properties have not been depreciated as they are held as investment assets. In the previous year the Charity Commission offered guidance to the Church Council that these assets could be treated as unrestricted assets. The movement of the properties to the designated fund was approved at a Church Council meeting and the transfer actioned at 31 August 2019.

6(b) Investments

The funds that support the various funds are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month. These are regarded as medium and long term investments.

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including legacies, Endowments and Accumulated funds. Trust Property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with Charity Law and Methodist Law and policy as determined by the Methodist Conference.

7. Fund Details

Key: R – Restricted Income Funds, UR – Unrestricted Funds

Fund Names	Type	Purpose and Restrictions	Fund Balances Brought Forward	Income	Expenditure	Transfers	Fund Balances Carried Forward
			£	£	£	£	£
General Fund	UR	Provide outreach and mission and maintain the building	1,609,377	100,920	113,700	-	1,596,597
Children & Families Worker	UR	Provide outreach to children of Mickleover	24,004	3,420	17,940	-	9,484
Legacies	UR	Funds held in memory of loved ones	3,744	200	-	-	3,944
Cottages Fund	R	Upkeep of cottages owned by the Church	265,020	12,087	3,394	-	273,713
External Organisations	R	Provide relief to the poor and disadvantaged	-	3,754	3,754	-	-
Benevolent Fund	R	Relief of poverty and distress in the poor	35	-	-	-	35
Funtime	R	Provide care and support to the elderly	-	24	-	-	24
Little Micklers	R	Support of young children and their carers	249	-	-	-	249
Mickleover Meth Preschool	R	Provision of learning, development and care for children	40,553	85,850	83,663	-	42,740
Women's Fellowship	R	Provides care and support to the women of the Church	1,282	1	-	-	1,283
Wesley Guild	R	Provide fellowship for the community at large	320	-	-	-	320
10 th Derby Girls Brigade	R	Help girls become followers of Jesus Christ	2,732	905	924	-	2,713
Total Funds			1,947,316	207,161	223,375	-	1,931,102

Designated Fund Balance

There are two accounts set aside for specific use, these are:-

Children's and family worker	9,484
Legacies Donation	3,944
Cottages (see note 6(a))	273,713
	<u>287,141</u>

Mickleover Methodist Church

Notes to the Financial Statements for the year ended 31 August 2021 – continued

Year Ended 31 August 2020

Fund Names	Type	Purpose and Restrictions	Fund Balances Brought Forward	Income	Expenditure	Transfers	Fund Balances Carried Forward
			£	£	£	£	£
General Fund	UR	Provide outreach and mission and maintain the building	1,614,060	97,786	155,236	52,767	1,609,377
Children & Families Worker	UR	Provide outreach to children of Mickleover	37,116	5,266	18,378	-	24,004
Legacies	UR	Funds held in memory of loved ones	2,194	1,600	50	-	3,744
Cottages Fund	R	Upkeep of cottages owned by the Church	307,834	12,645	3,072	(52,387)	265,020
External Organisations	R	Provide relief to the poor and disadvantaged	-	3,368	3,368	-	-
Benevolent Fund	R	Relief of poverty and distress in the poor	135	-	100	-	35
Funtime	R	Provide care and support to the elderly	-	30	-	(30)	-
Little Micklers	R	Support of young children and their carers	286	689	376	(350)	249
Mickleover Meth Preschool	R	Provision of learning, development and care for children	33,447	83,707	76,601	-	40,553
Women's Fellowship	R	Provides care and support to the women of the Church	1,228	748	694	-	1,282
Wesley Guild	R	Provide fellowship for the community at large	246	575	501	-	320
10 th Derby Girls Brigade	R	Help girls become followers of Jesus Christ	2,695	1,284	1,247	-	2,732
Total Funds			1,999,241	207,698	259,623	-	1,947,316

8. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Fixed Assets	1,781,113	-	178,113	1,794,423
Current Assets/Liabilities	102,625	47,364	149,989	152,893
Fund Balance	1,883,738	47,364	1,931,102	1,947,316

Year Ended 31 August 2020

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
Fixed Assets	1,794,423	-	1,794,423	1,789,139
Current Assets/Liabilities	107,722	45,171	152,893	210,102
Fund Balance	1,902,145	45,171	1,947,316	1,999,241

Mickleover Methodist Church

Notes to the Financial Statements for the year ended 31 August 2021 – continued

9. STAFF COSTS

	Total 2021 £	Total 2020 £
Wages and salaries	86,813	83,718
Pension costs	2,828	2,655
	89,641	86,373

The average number of staff employed during the year were 9 (2020: 10), of those 3 are within the pension scheme.

No employee earned £60,000 p.a or more.

No Trustees /Church Council members received or is due to receive any expenses or remuneration for the year. There are no related party transactions to note.

10. PENSION CONTRIBUTIONS

Mickleover Methodist Church contributes to the pension scheme an amount based on the employee's basic salary and the employees are required to make a minimum contribution. The contributions for the year totalled £2,828 (2020: £2,655) and there were no contributions outstanding at the year end.

Mickleover Methodist Church had 3 active members in the pension scheme at 31 August 2021.

11. FUTURE COMMITMENTS

Mickleover Methodist Church has entered into a rental commitment for a photocopier which expired in 2021; the quarterly rental charge was £358.

12. RELATED PARTY TRANSACTIONS

This Year

Name of related party	Relationship	Description of transaction	Payments to related party during the year 2021 £	Payments to related party during the year 2020 £
JMA	Methodist Fund	Donation	-	515
Mission in Britain Fund	Methodist Fund	Donation	-	159
Fund for Support of Presbyters & Deacons	Methodist Fund	Donation	425	425
Fund for Property	Methodist Fund	Donation	500	500
World Mission Fund	Methodist Fund	Donation	-	95
All We Can	Partner	Donation	1,335	585
LWPT	Partner	Donation	375	375
Methodist Homes	Partner	Donation	325	375
Action for Children	Partner	Donation	-	222
Live at Home Mickleover	Partner	Donation	-	50
Methodist Women in Britain	Partner	Donation	-	50
Total			2,960	3,351

There are no other related party transactions.