

Mickleover Methodist Church

**Annual Report and Financial Statements
for the year ended
31 August 2022**

Charity Number 1128907

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2022

Annual Report 2022

Welcome to our Annual Report which I hope you will find informative and stimulating.

First of all, a word of thanks to all those who have been involved in preparing this report but also to all who have supported the church in whatever way during the last year. This support has enabled us to continue our many regular activities both in church and in the community around us especially after the coronavirus pandemic.

The start of the connexional year 2021/2022 was the first time in over eighteen months that we were able to meet in so many different ways without the restrictions presented to us with the covid pandemic. Gone were the restrictions on mask wearing, not singing during our services and of not being able to meet and greet one another. Our regular meetings were now able to take place in person although some have continued on Zoom. Our Sunday morning worship services continue to offer our congregation the option of attending in person or joining us on Zoom with those who do being able to be fully interactive in the services whenever required. We now make use of social media through Facebook to advertise our regular services and activities.

Many of our church and community groups have returned and we are delighted to have seen an increase in the number of groups and individuals that now use the building, recognising it as a Community Church. The increase in footfall of people now using the building was not what we were expecting when the centre became fully operational again, but it is good that our community make full use of our facilities. The Business Team have continued their good work of overseeing the maintenance of the building and ensuring all aspects of health and safety are met. They have also done sterling work to ensure that the finances are in a healthy state to continue to provide a welcome to our local community, and to enable us to fulfil our Christian mission.

The Leadership Team continued to meet regularly throughout the year to implement our strategies in line with Our Calling of the Methodist Church. The worship forum has provided a valuable discussion group for planning and exploring different ways of worship. An example of this was a sung communion service ("Bread and Wine" by Darren Garfield) on Maundy Thursday led by our music group. Pastoral Care continued to be an essential element of church family life, not just by pastoral visitors but by all members of the church community.

Our uniformed organisations, Little Micklers parent and toddler group and Messy Church have continued to meet a need for our community and have attracted families from the many new estates being developed around Mickleover. Our Preschool continues to thrive with the number of sessions for young children increasing at the start of the year allowing more of our local families to access the care and early years learning for their children.

In demonstrating our commitment to Mission and Outreach, our main achievements throughout the year were: -

- replanting part of the area in front of our building into an eco-insect friendly garden with a friendship bench that anyone passing by can stop and relax for a while to enjoy the surroundings
- a tea for the whole community to celebrate the late Queen's Platinum Jubilee
- setting up of a food bank with Food 4 Thought for those identified in need of food parcels
- Bereavement courses held throughout the year for those who had recently lost loved ones to help them process their grief

During the year, it was with regret that we heard that our minister, Rev Gill Sharp sought a curtailment of her ministry in Mickleover and the Derby Circuit at the end of August 2022. The Church wish to express their deep gratitude to her and Phil for their ministry and particularly the gracious and effective way they piloted the Church through the Coronavirus Pandemic. We express thanks to Rev. Jackie Quarmby who provided ministerial cover during Gill Sharpe's sabbatical leave. The challenge for the Church in the year ahead was to find a replacement minister who could lead us and take us forward in order that the church may continue to fulfil its mission of developing a church family which is continually growing in Christian faith, worship, and outreach. At this late stage it was too late to enter stationing for the year 22/23.

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2022

Annual Report 2022 - continued

The Circuit leadership team asked Ministers to help, and in August, was pleased to accept the offer from Rev. David Owen to take on extra duties and to be the designated minister for Mickleover for the year 22/23. In the year ahead, may we all continue to seek God's will for ourselves and for Mickleover Methodist Church, that others may know the love of God through Christ.

Rev David Owen, Minister with Pastoral Charge

Trustees' Annual Report

The trustees present their report and financial statements for the year ended 31 August 2022. 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

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2022

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 40 volunteers (mostly over 70 years of age) working throughout the church to ensure its activities are run effectively, efficiently and safely.

OUR ACHIEVEMENTS ON OUR PRIORITIES FOR 2021/22

This was the first year of our 5-year plan where we considered our priorities under the Methodist Church Mission Plan template and the 4 aspects of Our Calling, Worship, Learning and Caring, Service and Evangelism. It has also been a year when we have almost been back to normal but of course it's a new normal, at last able to meet together in our building with both the church and the wider community.

Our overall goal for the next 5 years

For all those inside and outside the church to grow in the love of God and show that love by serving the Community of Mickleover and beyond.

- 1. By 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**

This is what we have achieved in year 1

- Created a baseline of current number of people worshipping starting in January. This has continued to allow us to check on any increase or decline in numbers
- Started a singing/music group providing ongoing support for special services and addressing the shortage of organists
- Developed a new pattern of worship post covid – online and face to face. Morning Worship and Communion continue to be available in church, and on zoom for those unable to attend worship in person. Monthly evening communion has been established and monthly 'All Age Worship'.
- Various new styles of worship have been tried during the year including informal 5pm and café worship, but no consistent pattern has been established. More discussions are underway.
- Monthly Messy Church for families and children

Mickleover Methodist Church

Annual Report and Financial Statements for the year ended 31 August 2022

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

This is what we have achieved in year 1

- Midweek fellowship has restarted being more inclusive and subsequently numbers have increased
- Bereavement Courses have been successfully established and widely advertised to the community
- Queen's Jubilee afternoon tea was held and over 100 people from the church and community attended. Teas were sent out to those who are housebound. All participants received a commemorative Jubilee Book.

- 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**

This is what we have achieved in year 1

- Reorganised our foyer with a sofa offering those coming into our building (e.g. waiting for a clinic appointment) a place to sit down.
- Defibrillator now available in the foyer.
- Volunteers in the foyer weekday mornings to welcome pre-school children and carers, and those visiting for other activities.
- Provided a bench outside the building for the community to use and replanted the garden with summer flowers.
- Weekly 'Little Micklers' toddler and carers sessions restarted and a small support group for new parents and newborn babies established.
- School holiday time family activities included Muddy Walks, picnics in the park and activity sessions in church.
- Established communications with local families via our Facebook page
- Evening 'Art for Wellbeing course

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

This is what we have achieved in year 1

- Monthly charity collections established
- Support for Rotary club Christmas 'shoe boxes'
- Easter and Christmas trails around Mickleover
- Participated in Community Christmas Carols in the Park and the community 'Our Mickleover' Christmas Fair
- Posters and leaflets outside church and in the foyer
- Applied for and were successful in getting a grant to continue to employ our Children and Families worker for a further 3 years (starting Sept 2022)

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2022

PRIORITIES FOR 2022/23

Actions for year 2 of our 5 year plan

Develop our worship and Learning Opportunities

- Continue to record attendance figures to check progress
- Help the music group to reorganise and have opportunities to lead worship
- Worship planning meetings to be organised bi-monthly and face to face
- Bereavement course to offer at least 2 new programmes

Develop our work with the community

- Work with Food for Thought to be a collection point for food parcels and to encourage the congregation and visitors to donate
- Fun-time to restart as part of the Warm Welcome Initiative
- Start a new community activity

General

- Improve our communications with the congregation
- Ensure that either the church is successful in finding a new minister or manage the situation if we do not

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2022

FINANCIAL REVIEW

After two years where our finances have been affected by Covid-19, it is good to report that our financial activity has returned to pre-pandemic levels. Our income has increased significantly over the year to maintain the increase in expenditure now that the Church Centre is fully operational again. It is thanks to our members generous giving that the surplus at the year-end (before accounting for depreciation) was much better than expected. In addition, the increased use of our premises by community organisations since the pandemic has seen a significant increase in the footfall on our premises and a corresponding increase in rental income. Unfortunately our support for other Methodist causes and external organisations has not yet increased to pre-pandemic levels.

Income trends

The Statement of Financial Activities shows total incoming resources of £238.5k, a significant increase of approximately 15.1% on the previous year. Income from weekly offertories and Gift Aid income totalled £89.1k which equates to 37.4% of the total income and represents a 9.8% increase in personal giving on the previous year. As a Charity registered for Gift Aid, we received approximately £18.2k from the Inland Revenue for all donations and regular giving through the Gift Aid scheme. Income for offerings and regular giving is mainly through monthly standing orders and the weekly envelope scheme and approximately 95% of the total is given in this way.

The rental income of £34.3k was received from all sources including the hire of the church halls to various groups and individuals in the community. This represents a significant increase of 86.8% on the previous year. 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 is the same amount as last year and was agreed by the Circuit to help churches through the financial consequences of the pandemic. It equates to approximately 24.5% of our total costs. 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 £2.5k for the year although this does include £13.3k for depreciation of the organ and AV equipment. The total fund balance now stands at £1,928.6k of which £52.8k is for restricted funds.

Fund balances

As at 31 August 2022 the net current assets of the Church were £108k which is more than sufficient to provide four months' cover for expenditure.

The restricted net current assets of the Church at 31 August 2022 were £52.8k 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.

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2022

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.

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: -

- £41.8k which equates to 4 months working capital
- £7.4k for the depreciation of the AV equipment over the next three years
- £21.1k for specific refurbishment and replacement projects on the church building
- £2.7k retained in the Legacy and Cottages Fund for special projects
- £20k to cover employment costs for 1 year for a Children & Families Worker
- £15k 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 £52.8k held in other **restricted funds** which will be used according to their designation.

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2022 - continued

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

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

BANKERS HSBC Plc
1 St Peter's Street
Derby
DE1 2AE

Central Finance Board of the Methodist Church
9 Bonhill Street
London
EC2A 4PE

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2022 - continued

Members of the Church Council – Officers, Advisors and Lay Workers

	Position	Appointed by
Ministers		
Rev Gillian Sharp	Chairman	Ex-officio (Resigned 31.8.22)
Rev David Owen	Chairman	Ex-officio
Rev Dr. Stuart Bell	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 (Resigned 14.1.23)
Policy Protection Officers		
Meryl Spray	Safeguarding Officer	Church Council
Michelle Woodcock	Safeguarding Officer	Church Council
Other Members		
John McCartney	Circuit Steward	Ex-officio (Resigned 31.12.22)
Mike Bagworth	Church Member	ACM*
Ian Clark	Church Member	ACM
Margaret Clark	Church Member	ACM
Ray Forey	Church Member	ACM
Adam McLoughlin	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 Shooler	Ecumenical Officer	Church Council (Resigned 20.10.22)
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

The positions of Ecumenical Officer and Circuit Steward are now vacant.

*ACM – Annual Church Meeting

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2022 - continued

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 nineteen 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, community, 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.

Mickleover Methodist Church

Annual Report and Financial Statements for the year ended 31 August 2022 - continued

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.

Mickleover Methodist Church
Annual Report and Financial Statements
for the year ended 31 August 2022 - continued

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
Little Micklers Childrens Group

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:

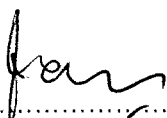
- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the appropriate charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures 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.

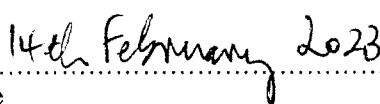
This report has been prepared in accordance with the Statement of Recommended Practice; Accounting and Reporting by Charities.



On behalf of the Trustees-Rev David Owen



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 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 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.

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

Date: 21.1.2023

Mickleover Methodist Church

**Statement of Financial Activities
For The Year Ended 31 August 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
INCOMING RESOURCES							
Donations and Legacies	2(a)	96,443	4,496	100,938	88,242	3,754	91,996
Charitable Activities	2(b)	32,587	93,262	125,849	17,172	86,779	103,951
Investment Income	2(c)	311	-	311	113	-	113
Investment Property Income	2(c)	11,405	-	11,405	11,100	-	11,100
TOTAL INCOMING RESOURCES		140,746	97,758	238,504	116,627	90,533	207,160
EXPENDITURE							
Expenditure on Charitable Activities	3(a) -3(b)	148,665	92,298	240,963	135,034	88,340	223,374
TOTAL EXPENDITURE		148,665	92,298	240,963	135,034	88,340	223,374
Net gains (losses) on investments assets – unrealised		-	-	-	-	-	-
NET INCOME/EXPENDITURE		(7,919)	5,460	(2,459)	(18,407)	2,193	(16,214)
Transfer Between Funds		-	-	-	-	-	-
Net Movement in Funds		(7,919)	5,460	(2,459)	(18,407)	2,193	(16,214)
RECONCILIATION OF FUNDS							
Total funds brought forward		1,883,738	47,364	1,931,102		1,902,145	45,171
TOTAL FUNDS CARRIED FORWARD	7	1,875,819	52,824	1,928,643	1,883,738	47,364	1,931,102

Mickleover Methodist Church
Balance Sheet as at 31 August 2022

	Note	Restricted Funds £	Unrestricted Funds £	2022 £	2021 £
FIXED ASSETS					
Tangible Fixed Assets	4	-	1,520,803	1,520,803	1,534,113
Fixed Asset Investments	6	-	247,000	247,000	247,000
Total Fixed Assets		-	1,767,803	1,767,803	1,781,113
CURRENT ASSETS					
Sundry Debtors		-	29,563	29,563	24,130
Investments		34,962	77,165	112,127	103,078
Cash at bank and in hand		38,102	7,491	45,593	45,216
Total Current Assets		73,064	114,219	187,283	172,424
CREDITORS: Amounts falling due within one year					
Sundry Creditors		20,240	3,803	24,043	20,035
		(20,240)	(3,803)	(24,043)	(20,035)
NET CURRENT ASSETS		52,824	110,416	163,240	152,389
TOTAL ASSETS LESS CURRENT LIABILITIES		52,824	1,878,219	1,931,043	1,933,502
CREDITORS					
Amounts falling due after more than one year	5	-	(2,400)	(2,400)	(2,400)
NET ASSETS		52,824	1,875,819	1,928,643	1,931,102
REPRESENTED BY FUNDS					
Unrestricted funds	-	General	1,589,115	1,596,597	
	-	Designated	286,704	287,141	
Restricted funds			52,824	47,364	
TOTAL CHARITY FUNDS	8		1,928,643	1,931,102	

Approved by the Church Council on 14.6.2023 and signed on its behalf by:

Rev David Owen - Minister

Mr John Spray - Treasurer

Dated -

DR Owen
JS
 14th February 2023

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 2022

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), 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 2022 – 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.

Mickleover Methodist Church

Notes to the Financial Statements for the year ended 31 August 2022 - 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 2022 £	Total Funds 2021 £
2(a) Donated Income – Voluntary				
Collections and regular giving	66,406	4,496	70,902	66,722
Gift Aid recoverable	18,162	-	18,162	14,409
Donations (National and Local)	11,875	-	11,875	10,865
Total Donations and Legacies	<u>96,443</u>	<u>4,496</u>	<u>100,939</u>	<u>91,996</u>
2(b) Gross income from events and activities				
Other Income – Internal Organisation	-	92,686	92,686	86,755
Fund Raising Events	2,170	576	2,746	660
Lettings Income	22,910	-	22,910	12,263
Sundry and Legacy Income	7,507	-	7,507	4,273
	<u>32,587</u>	<u>93,262</u>	<u>125,849</u>	<u>103,951</u>
2(c) Investment Income				
Bank interest	311	-	311	113
Investment Property Income	11,405	-	11,405	11,100
	<u>11,716</u>	<u>-</u>	<u>11,716</u>	<u>11,213</u>
TOTAL INCOMING RESOURCES	<u>140,746</u>	<u>97,758</u>	<u>238,504</u>	<u>207,160</u>

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

Trustees aggregate giving for the year totalled £28,844 (2021: £29,625).

Mickleover Methodist Church

Notes to the Financial Statements for the year ended 31 August 2022 – continued

3. RESOURCES EXPENDED	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
3(a) Giving				
Connexional Funds	1,625	-	1,625	1,625
	<u>1,625</u>	<u>-</u>	<u>1,625</u>	<u>1,625</u>
3(b) Directly related to the work of the Church				
Circuit Assessments	59,060	-	59,060	59,060
Internal Organisation	-	17,289	17,289	18,215
Insurance and Utilities	11,664	-	11,664	8,460
Property Expenditure	24,380	-	24,380	21,601
Office and other costs	14,803	5,120	19,923	11,462
Salaries	23,823	69,889	93,712	89,641
Depreciation	13,310	-	13,310	13,310
	<u>147,040</u>	<u>92,298</u>	<u>239,338</u>	<u>221,749</u>
Total Resources Expended	<u>148,665</u>	<u>92,298</u>	<u>240,963</u>	<u>223,374</u>

Other costs include the Independent Examination fee of £750.

4. TANGIBLE FIXED ASSETS		Freehold Land and Buildings £	Equipment £	Total £
Cost	At 1 September 2021	1,475,000	114,506	1,589,506
	Additions	-	-	-
	At 31 August 2022	<u>1,475,000</u>	<u>114,506</u>	<u>1,589,506</u>
Depreciation	At 1 September 2021	-	55,393	55,393
	Charge for Year	-	13,310	13,310
	Disposals	-	-	-
	At 31 August 2022	<u>-</u>	<u>68,703</u>	<u>68,703</u>
Net Book Value	At 31 August 2021	1,475,000	45,803	1,520,803
	At 31 August 2022	<u>1,475,000</u>	<u>45,803</u>	<u>1,520,803</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 £3,169,082. 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

	2022 £	2021 £
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 2022 – continued

6(a) Investment Properties

	No. 34 £	No. 36 £	Total £
Two properties at Station Road, Mickleover, Derby, DE3 9GH			
Valuation as at 24 August 2016 undertaken by Graham Penny.	142,000	105,000	<u>247,000</u>

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

Year Ended 31 August 2022

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	1,596,597	118,261	125,462	(281)	1,589,115
Children & Families Worker	UR	Provide outreach to children of Mickleover	9,484	9,030	18,795	281	-
Legacies	UR	Funds held in memory of loved ones	3,944	950	2,149	-	2,745
Cottages Fund	R	Upkeep of cottages owned by the Church	273,713	12,505	2,260	-	283,958
External Organisations	R	Provide relief to the poor and disadvantaged	-	4,496	4,496	-	-
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	576	600	-	225
Mickleover Meth Preschool	R	Provision of learning, development and care for children	42,740	90,597	84,126	-	49,211
Women's Fellowship	R	Provides care and support to the women of the Church	1,283	1,289	1,519	-	1,053
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	2,713	800	1,532	-	1,981
Total Funds			<u>1,931,102</u>	<u>238,504</u>	<u>240,963</u>	<u>-</u>	<u>1,928,643</u>

Designated Fund Balance

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

Legacies Donation	2,745
Cottages (see note 6(a))	283,958
	<u>286,704</u>

Mickleover Methodist Church

Notes to the Financial Statements for the year ended 31 August 2022 – continued

Year Ended 31 August 2021

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

8. ANALYSIS OF NET ASSETS BY FUND

Year Ended 31 August 2022	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Fixed Assets	1,767,803	-	1,767,803	1,781,113
Current Assets/Liabilities	108,016	52,824	160,840	149,989
Fund Balance	1,875,819	52,824	1,928,643	1,931,102

Year Ended 31 August 2021

Year Ended 31 August 2021	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Fixed Assets	1,781,113	-	1,781,113	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

Mickleover Methodist Church

Notes to the Financial Statements for the year ended 31 August 2022 – continued

9. STAFF COSTS

	Total 2022 £	Total 2021 £
Wages and salaries	90,844	86,813
Pension costs	2,868	2,828
	93,712	89,641

The average number of staff employed during the year were 9 (2021: 9), 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 £2,868 (2021: £2,828) and there were no contributions outstanding at the year end.

Mickleover Methodist Church had 3 active members in the pension scheme at 31 August 2022.

11. FUTURE COMMITMENTS

Mickleover Methodist Church has entered into a rental commitment for a photocopier which expired in 2022; 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 2022 £	Payments to related party during the year 2021 £
JMA	Methodist Fund	Donation	1,105	-
Fund for Support of Presbyters & Deacons	Methodist Fund	Donation	425	425
Fund for Property	Methodist Fund	Donation	500	500
All We Can	Partner	Donation	1,445	1,335
LWPT	Partner	Donation	375	375
Methodist Homes	Partner	Donation	494	325
Action for Children	Partner	Donation	473	-
Methodist Women in Britain	Partner	Donation	109	-
Total			4,926	2,960

There are no other related party transactions.