

**TRUSTEES ANNUAL REPORT
AND FINANCIAL STATEMENTS
OF**

HEATON MOOR EVANGELICAL CHURCH

(Operating as Emmanuel Community Church)

30TH SEPTEMBER 2022



EMMANUEL
COMMUNITY CHURCH

Registered Charity Number: 1129533

HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)

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HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)
LEGAL AND ADMINISTRATIVE INFORMATION

Holding Trustee: The Fellowship of Independent Evangelical Churches Limited (FIEC)

Managing Trustees: The Managing Trustees, which includes Elders and Managing Deacons, who served during the year and up to the date of approval of this report were as follows:

Mr S Cook	(Elder on sabbatical)
Mr T Cox	(Elder)
Mr S Forman	(Managing Deacon & Administrator)
Mr D Ingram	(Managing Deacon & Chair of Trustees)
Mr C Johnson	(Elder appointed 9 December 2021)
Rev J Kidd	(Elder until 31 March 2023)
Mr P Slack	(Elder)
Dr R Stout	(Elder)
Dr J A Van den Berg	(Managing Deacon & Treasurer)

Bankers: The Co-operative Bank
Barclays Bank

Operational address: 55 Green Lane
Heaton Moor
Stockport
SK4 3LH

Legal advisers: FIEC Ltd
39 The Point
Market Harborough
LE16 7QU

Independent Examiner: Mrs Helen Bolton FCA
Malmar
6 High Moor Ave
Moortown
Leeds
LS17 6RS

HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church) TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

The managing trustees of the charity present their annual report and financial statements for the year ended 30 September 2022.

Structure, governance and management

Emmanuel Community Church (ECC) is the operating name of Heaton Moor Evangelical Church (HMEC). The change of name was registered with the Charity Commission in 2016, following the relocation of the main church services out of the Heaton Moor area across to Reddish. Throughout this report we will refer to the charity as HMEC.

HMEC's governing document is a consolidated trust deed dated 5th December 2016, which combines the Trust Deed dated 29th February 1972 and the amendments thereto contained in the Deeds of Variation dated 10th May 2010 and 17th October 2016.

At a formally convened church members' meeting, the members of HMEC elect Elders and Deacons. The Elders and three Deacons are collectively named as Church Officers and they hold the position of Managing Trustee. The Federation of Independent Evangelical Churches (FIEC) act as legal advisers and FIEC Ltd is the Holding Trustee, holding property title deeds and other legal contracts in trust for HMEC. The Holding Trustee has no other powers regarding the governance and management of the charity. Throughout this document when reference is made to trustees, that is taken to mean the Managing Trustees.

Regular meetings of the trustees ensure that there is agreement over direction and expenditure. The trustees are appointed to serve the members of the church and some decisions (as set out in the Rules within the Trust Deed) can only be taken following a vote of the membership.

The trustees have delegated first line operational responsibility for issues such as the protection of children and vulnerable adults to small groups or individuals.

Any newly appointed trustees are given the latest trustees annual reports and financial statements of the charity, the Trust Deed and notes on the duties and responsibilities of trustees.

The Charity employs a Pastor, a Community Evangelist, a part-time Families worker, a part-time Women's worker, a part-time Administrator and two cleaners.

HMEC (ECC) is affiliated to the FIEC and is a member of the Northwest Partnership.

Charitable objectives and principal activities

The purpose of the charity is the proclamation and furtherance of the Gospel of God concerning his Son Jesus Christ our Lord and the preaching and teaching of the Word of God.

The trustees have also reviewed the Charity Commission guidelines on public benefit and have met throughout the year to consider the additional policies and activities of the church. The trustees believe that these benefit the public by providing opportunities to meet as a community, to serve one another and to provide service to or otherwise assist those individuals in need because of social exclusion, poverty, disability or lack of opportunity.

Proclamation of the gospel in word and action is a key emphasis in the activities of HMEC. Our Sunday services are for worship, teaching and prayer and are beneficial in helping the church community to live out their faith in their daily living. All are welcome to our Sunday services.

Activities for all ages, from babies to those in later stages of life, are undertaken with the aim of showing the love of Jesus Christ to all who come and providing an opportunity to present the message of the Gospel, through individual conversations or more formal presentations. Normal activities include the following

HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)

- Sunday Morning services, including crèche and children's and youth groups
- A monthly evening service
- Oasis - a weekly meeting for over 55's
- 2 Parent & Toddler Groups – weekly sessions for young families
- Dads and Kids – a monthly session for dads and kids
- Parent & New Baby Group - a weekly session
- Parenting Skills courses
- Children and youth groups - weekly clubs
- Home Groups meeting weekly for Bible study, prayer and mutual encouragement
- Groups for men and women
- A monthly church family prayer meeting
- Hope Explored courses for any who express an interest in investigating the Christian faith
- Community Fundays
- Holiday Bible Club for Primary School children

HMEC makes grants or donations to individuals and organisations who are seeking to promote the Christian faith by word and in action, both in the UK and Internationally. Recommendations are made to the trustees by a small group of church members known as the Global Vision Group.

HMEC relies on teams of volunteers to work with members of staff in delivering its programme of activities and events. Roles undertaken by volunteers include

- Playing music to support worship
- Overseeing audio/visual presentation
- Providing catering
- Befriending adults and families
- Delivering Bible teaching to small groups of children, youth and adults
- Organisation of social events
- Carrying out building maintenance

Achievements and performance in the year

For all of the period under review, the church has sought to fulfil its objectives. Our Sunday morning gatherings are centred on the Word of God. Our preaching tries to be faithful to the passage, pointing people to Jesus and applying the Scriptures in relevant ways. We enjoy singing praises, praying to our Almighty God and sharing communion with one another.

The majority of the teaching on Sundays is delivered by the Pastor and Evangelist, with a number of members of the congregation supplementing the programme. The trustees are particularly grateful to all the people who have contributed to this work. The facilities at Houldsworth Mill have allowed for the children and young people to engage in appropriate, age related activities during every service.

Our midweek groups largely take place at our Heaton Moor site. The midweek clubs for children and teenagers, i.e. Mini's (Reception and Yrs.1-2), Rise (Yrs. 3-6) and Shine (Yrs. 7-13) are attended by children and young people from the church and the community. They usually meet each week during school term times. In addition to weekly activities, we have run a Children's Holiday Club during the Summer Holidays at the Reddish base.

The church has been able to continue its popular weekly Parent and Toddler Groups, and a Parent and Baby Group under the leadership of our Family worker and her team of committed volunteers. A new parent Toddler group that had started at the Reddish site continues to do well and provides support and an activity for members of our community. Out of these groups there continues to be an appetite for special events such as Parenting Skills Courses and Bible studies and a separate group for Dad's and Toddlers once a month on a Saturday morning.

We have still sought to provide pastoral and practical care where possible. Help such as providing groceries, hot meals, clothes and more for less fortunate members of our community, has been a pleasure to

HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)

be able to address. We are in the process of seeing how we can further expand our social justice ministry by seeking links with various charities and by looking to take on a volunteer to head this activity up.

The church's weekly Oasis group for those over 55 years of age is a great time of Bible Study, exercise classes, lunches, films, quizzes, etc. Thanks to an excellent team of volunteers we have continued to provide spiritual and emotional support as well as friendship during what has been a very difficult time for our elderly.

Family, women's and men's social events are arranged from time to time to build bridges with our community and the parents of the children who attend our mid-week clubs, developing relationships which provide opportunities for support, friendship and sharing our faith. Our summer Fundays, at the Reddish base, has brought us great favour with the local community who enjoy the free afternoon of fun.

HMEC remains committed to providing pastoral care both to those who attend the church and those who live in the local area who seek our care. Within the church this is largely organised through Home Groups (smaller groups made up mostly by those who attend our regular Sunday meetings). They meet weekly for Bible study, prayer and mutual encouragement. However, the Staff and Elders also spend time visiting, teaching and praying with those who request it.

The charity continues to maintain a social fund for those in the church and community who find themselves needing financial assistance. This is described more fully in note 11.

The charity has maintenance responsibilities for the original Church building on Green Lane, Heaton Moor, which it owns outright, and some aspects of maintenance at Houldsworth Mill, which it leases.

Events after the balance sheet date

Rev Jamie Kidd, the pastor, resigned from his post after the year end and left employment in early 2023. As detailed in note 7 to the accounts, at the year-end there was a loan outstanding from Rev Kidd which was secured on his family home. This loan became repayable when he ceased to be employed by HMEC. Prior to these accounts being approved the property was sold and the loan repaid in full, together with a further £13,489 return on investment equal to the share in growth in value of the property. At the same time funds held in a restricted fund will be released according to the wishes of the original donors, and this is explained further in note 11. Those transactions will be reflected in the 2022/23 accounts.

Financial review

The accounts have been prepared on the accruals basis and have been independently examined in accordance with the requirements of the Charities Act.

The principal source of income is donations from the congregation and other contacts. Donors are encouraged to make use of the Gift Aid facility where possible. Expenditure consists mainly of the cost of employment of those we consider necessary to fulfil our objectives, the costs of premises from which to fulfil our objectives and donations to groups whose objectives we believe to be aligned with ours.

Our long-term reserves of around 2 months of expenditure are held in a deposit account with the Co-operative Bank.

During the year, income from unrestricted funds was £208,875 (2020/21: £178,642), and income from restricted funds was £4,929 (2020/21: £64,161). £14,547 of the increase in unrestricted income relates to the investment income earned on the pastor's initial loan, related to the share of equity in the property he sold. This is held in the designated fund and used to enable the new increased loan to be made, as described in note 7. In addition, regular donations and plate collections have increased over the year. Expenditure from unrestricted funds totaled £175,336 (2020/21: £210,329), and consisted mainly of staff costs, rent, mission giving, utilities, and depreciation. Expenditure was lower than last year mainly because there was less need to carry out property maintenance. There were also reductions in staff costs after the pastor-in-

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training left in 2021. Expenditure from restricted funds totaled £44,763 (2020/21: £32,453), consisting of staff salaries for the Evangelist and Women's worker, together with support to individuals through the social fund. The increased costs relate to the Evangelist being in post for a full year.

The overall result for the year was net income on unrestricted funds of £33,539 (2020/21: net expenditure £31,686) and this amount has been transferred to general funds. Restricted funds decreased by £39,834 (2020/21: £31,707 decrease) as grants and donations in prior years were used to fund salaries of the Evangelist and Women's Worker. The result across all funds was an excess of expenditure over income of £5,290 (2020/21: Excess income £21)

It is not possible to quantify, in financial terms, the work done by many volunteers but the Trustees recognise and are grateful for this.

Future developments

We continue to review how we may expand our outreach into the Reddish community, while maintaining our long established presence in the Heaton, the latter being something we will continue to review over the coming year. Alongside our various community outreach activities, the Trustees aim to use the Evangelist to build stronger connections and make further opportunities to help alleviate the social needs of our community.

Following consultation with and support from the FIEC, an application has been submitted for a new CIO which will, ultimately, replace the HMEC Trust. This has been a time consuming task but it is hoped it will be completed during 2022/23.

Risk review, funds and reserves policy

The trustees have considered the key risks affecting the charity, and taken steps to mitigate them. They have identified the key risks as being;

- ❑ Failure to maintain church buildings in a good state of repair;
- ❑ Failure to comply with the terms of the lease re Houldsworth Mill
- ❑ Inherent risks associated with employment of staff.

The trustees believe that these risks are minimised by regular meetings, development and monitoring of policies and procedures and regular consideration of financial information.

The trustees recognise the need for the charity to establish and maintain reserves to enable it to continue to carry out its charitable objectives in the event of unforeseeable matters arising, such as falling levels of donations or any urgent and unexpected expenditure.

Free Reserves represents the total unrestricted funds of the charity less amounts tied up in fixed assets, on the basis that these cannot be sold without affecting the achievement of charitable objectives. The Trustees aim to retain sufficient Free Reserves to meet three months expenditure (c£60k). In addition, from time to time, should it be justified by plans for significant projects, we may hold a greater amount, and these may be held as specific designated funds. The net income in 2021/2022 has increased Free Reserves to £105,409 (2021: £80,716,) which is significantly higher than necessary at 6 months' costs (2021: 5 months'). Budgets for 2022/23 anticipate another year of investment in additional staff and outreach projects, which will reduce free reserves in line with the policy.

Further details of funds are set out in note 11 of the Financial Statements.

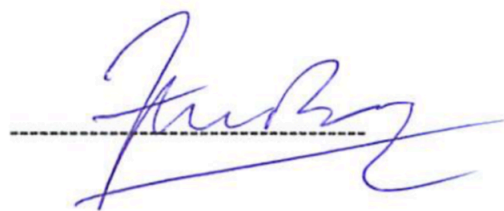

Statement of Trustees responsibilities

Charity law requires 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 its financial activities for that period. In preparing those financial statements the trustees have:-

- ❑ selected suitable accounting policies and applied them consistently;
- ❑ made judgments and estimates that are reasonable and prudent;
- ❑ stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ❑ prepared the financial statements on the going concern basis.

The Trustees are responsible for keeping 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 Acts. 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

Approved by the Trustees on 5th April 2023 and signed on their behalf by:



**HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HEATON MOOR
EVANGELICAL CHURCH FOR THE YEAR ENDED 30 SEPTEMBER 2022**

This report on the financial statements of the charity for the year ended 30 September 2022, which are set out on pages 9 to 16, is in respect of an examination carried out in accordance with 144 of the Charities Act 2011 ("The Act")

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility:

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

Basis of this report

My examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 130 of the Act); and
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date:

5th April 2023

**Helen Bolton, FCA
Chartered Accountant
Malmar
6 High Moor Avenue
Leeds
LS17 6RS**

HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)

**Statement of Financial Activities
For the year ending 30 September 2022**

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2021/22 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2020/21 £
<u>INCOME</u>							
Donations & Legacies	2(a)	185,320	4,929	190,249	178,130	64,161	242,291
Investment Income	2(b)	14,560	-	14,560	46	-	46
Church Activities	2(c)	8,995	-	8,995	466	-	466
TOTAL INCOME		208,875	4,929	213,804	178,642	64,161	242,803
<u>EXPENDITURE</u>							
Charitable Activities	3	175,336	44,763	220,099	210,329	32,453	242,782
TOTAL EXPENDITURE		175,336	44,763	220,099	210,329	32,453	242,782
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		33,539	(39,834)	(6,295)	(31,687)	31,708	21
Transfers between funds	11	-	-	-	1	(1)	-
NET MOVEMENT IN FUNDS		33,539	(39,834)	(6,295)	(31,686)	31,707	21
Balances b/fwd.		521,434	159,920	681,354	553,120	128,213	681,333
Balances c/fwd.	11	554,973	120,086	675,059	521,434	159,920	681,354

The notes on the following pages form part of these accounts.

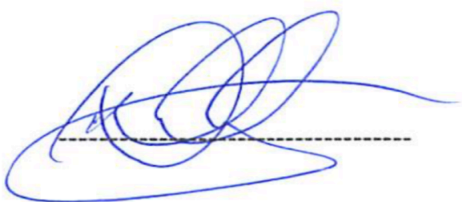
HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)

Balance Sheet at 30 September 2022

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2021/22 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2020/21 £
<u>FIXED ASSETS</u>							
Tangible Fixed Assets	6	388,867	-	388,867	394,568	-	394,568
Long-term Investments	7	60,697	38,350	99,047	46,150	38,350	84,500
TOTAL FIXED ASSETS		449,564	38,350	487,914	440,718	38,350	479,068
<u>CURRENT ASSETS</u>							
Debtors	8	2,912	-	2,912	2,953	-	2,953
Members Loans	9	-	300	300	-	1,655	1,655
Bank & Cash Balances		105,823	82,190	188,013	80,747	120,827	201,574
TOTAL CURRENT ASSETS		108,735	82,490	191,225	83,700	122,482	206,182
<u>LIABILITIES</u>							
Creditors: Amounts falling due in one year	10	3,326	754	4,080	2,984	912	3,896
NET CURRENT ASSETS		105,409	81,736	187,145	80,716	121,570	202,286
TOTAL NET ASSETS		554,973	120,086	675,059	521,434	159,920	681,354
REPRESENTED BY:							
<u>FUNDS</u>							
Unrestricted	11	554,973	-	554,973	521,434	-	521,434
Restricted	11	-	120,086	120,086	-	159,920	159,920
		554,973	120,086	675,059	521,434	159,920	681,354

The notes on the following pages form part of these accounts.

Approved by the trustees on 5th April 2023 and signed on its behalf by




NOTES TO THE FINANCIAL STATEMENTS For the year ending 30 September 2022 (Cont.)

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below.

Basis of preparation

The financial statements have been prepared on a going concern basis, in accordance with the Statement of Recommended Practice "Accounting and reporting by Charities 2015 (FRS 102)" and UK Generally Accepted Practice as it applies from 1 January 2016.

The financial statements have been prepared under the historical cost convention. The financial statements include all transactions, assets and liabilities for which the charity is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

Fund accounting

General funds are available at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are funds subject to specific restrictive conditions imposed by donors, funders or by the purpose of grants. The purpose and use of the restricted funds is set out in note 10 to the accounts.

Donations and grants and similar income

Income from donations and grants, including capital grants and donations, is accounted for when these are receivable, except when they relate to future accounting periods or when the donors or grantors impose pre-conditions that have not been met. In these cases the income is deferred until the future period and/or the conditions have been met. Tax refunds are recognised at the same time as the income to which they relate.

Legacies are accounted for when the Charity is legally entitled to the amounts due.

Investment income is accounted for when it is received.

Where conditions are imposed which restrict the use of the income to specific purpose then it is included in income under restricted funds when it is due.

Fixed assets and Depreciation

Properties owned by the charity are considered functional assets and are included in the balance sheet at either cost less depreciation or trustees valuation. Expenditure on the building which is considered to be of a maintenance nature is not capitalised but written off in the year the work is done.

The open market value of functional property may be in excess of its recorded net book value. Valuations are not carried out in respect of buildings on the basis that there is no intention to dispose of them, and to pay for a valuation would not be considered good use of the assets of the Charity

Depreciation of tangible fixed assets is provided in order to write off the cost or valuation, after taking account of scrap values, over the expected useful lives as follows:-

Furniture and Equipment	20% on cost less residual value
Freehold land and property	1% on cost less residual value
Property improvements	2% on cost less residual value

HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)

NOTES TO THE FINANCIAL STATEMENTS For the year ending 30 September 2022 (Cont.)

		Unrestricted Funds £	Restricted Funds £	TOTAL 2021/22 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2020/21 £
2. INCOME							
2(a)	Donations & Legacies						
	Regular donations	137,785	4,929	142,714	132,124	2,586	134,710
	Plate collections	2,457	-	2,457	1,591	-	1,591
	One-off donations	14,869	-	14,869	15,145	61,575	76,720
	Tax Recoverable under gift aid	30,209	-	30,209	29,270	-	29,270
		185,320	4,929	190,249	178,130	64,161	242,291
2(b)	Investment Income						
	Return on investment re Pastors loan	14,547	-	14,547	-	-	-
	Bank interest	13	-	13	46	-	46
		14,560	-	14,560	46	-	46
2(c)	Income from Church Activities						
	Sundry lettings	8,875	-	8,875	466	-	466
	Other income from church activities	120	-	120	-	-	-
		8,995	-	8,995	466	-	466
	TOTAL INCOME	208,875	4,929	213,804	178,642	64,161	242,803
3. EXPENDITURE		Unrestricted Funds £	Restricted Funds £	TOTAL 2019/20 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2018/19 £
	Charitable Activities						
	Staff costs (See note 4)	72,441	42,985	115,426	94,802	29,420	124,222
	Mission giving	17,487	1,305	18,792	15,540	2,733	18,273
	Evangelism	10,123	-	10,123	5,004	-	5,004
	Rent	34,342	-	34,342	32,644	-	32,644
	Repairs & maintenance	4,859	-	4,859	27,151	-	27,151
	Insurance	3,814	-	3,814	3,059	-	3,059
	Light, heat, water & telephone	10,627	-	10,627	9,970	-	9,970
	Membership and licences	3,805	-	3,805	5,127	-	5,127
	Costs relating to church activities	717	-	717	788	-	788
	Catering	4,067	-	4,067	1,702	-	1,702
	Children's, Families' and Youth work	2,610	473	3,083	3,274	-	3,274
	CAP Job club	-	-	-	-	300	300
	Printing, copying & stationery	1,688	-	1,688	1,909	-	1,909
	IT and website	1,172	-	1,172	1,514	-	1,514
	Legal and Professional	783	-	783	1,144	-	1,144
	Independent Examiner's fee	1,100	-	1,100	1,000	-	1,000
	Depreciation of furniture and equipment	1,345	-	1,345	1,346	-	1,346
	Depreciation of buildings	4,356	-	4,356	4,355	-	4,355
	TOTAL EXPENDITURE	175,336	44,763	220,099	210,329	32,453	242,782

HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)

NOTES TO THE FINANCIAL STATEMENTS For the year ending 30 September 2022 (Cont.)

4. STAFF COSTS		Unrestricted Funds £	Restricted Funds £	TOTAL 2021/22 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2020/21 £
	Salaries	62,001	39,480	101,481	81,010	27,515	108,525
	Employers National Insurance	1,711	1,517	3,228	1,688	551	2,239
	Pension	3,036	1,988	5,024	4,133	1,354	5,487
	Recruitment & relocation	75	-	75	1,461	-	1,461
	Travel	1,579	-	1,579	84	-	84
	Staff training	4,039	-	4,039	6,426	-	6,426
	Total	72,441	42,985	115,426	94,802	29,420	124,222

5. NET INCOMING / (OUTGOING) RESOURCES FOR THE YEAR				TOTAL 2021/22 £	TOTAL 2020/21 £
This is stated after charging:					
		Fees re Independent Examination		1,100	1,000
		Depreciation		5,701	5,701
		Trustees remuneration		-	-
		Staff costs		115,426	124,222

Rev Jamie Kidd is the Pastor of the church and is also a trustee. £44,084 (2020/21: £45,395) of the staff costs listed here relate to his role as Pastor, he receives no remuneration for his duties as a Trustee.

Chris Johnson is employed as Evangelist and is also a trustee. £34,849 (2021: £23,575) of the staff costs listed here relate to his role as Evangelist, he receives no remuneration for his duties as a Trustee.

Simon Foreman works as the church administrator and is also a trustee. £9,474 (2020/21: £7,582) of the staff costs listed here relate to his employment, he receives no remuneration for his duties as a Trustee

Dot Ingram is employed as the Women's worker. She is married to David Ingram who is a trustee. £10,302 (2020/21: £7,449) of the staff costs listed here relate to her role as Women's Worker. David receives no remuneration for his duties as a Trustee.

All charity trustees are entitled to claim out of pocket expenses to cover postage, telephone and mileage. They receive no remuneration in respect of their duties as Trustees.

6. TANGIBLE FIXED ASSETS		Freehold land & buildings	Furniture & equipment	Total £
Cost	At 1 October	417,778	70,836	488,614
	Additions at Cost	-	-	-
	Disposals	-	-	-
	At 30 September	417,778	70,836	488,614
Depreciation	At 1 October	26,131	67,915	94,046
	Charge for the year	4,356	1,345	5,701
	Released on disposals	-	-	-
	At 30 September	30,487	69,260	99,747
Net book value at 30 September 2022		387,291	1,576	388,867
Net book value at 30 September 2021		391,647	2,921	394,568

HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)

NOTES TO THE FINANCIAL STATEMENTS For the year ending 30 September 2022 (Cont.)

7. LONG-TERM INVESTMENTS	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
Balance at 1 October	46,150	38,350	84,500	46,150	38,350	84,500
Repayments received	(46,150)	(38,350)	(84,500)	-	-	-
New loans	60,697	38,350	99,047	-	-	-
Balance at 30 September	60,697	38,350	99,047	46,150	38,350	84,500

During 2018/19 members of the charity in general meeting approved an unsecured long-term loan to the Pastor and his wife to enable them to purchase a suitable family home, on the basis that the trustees believe it to be in the best interests of the charity that the Pastor lives locally, despite high house prices. A formal loan agreement was signed on 6 November 2018 and an updated agreement signed on 1 September 2019. The loan was repayable on the earlier of the sale of the property, Mr Kidd ceasing to be employed by the charity, or within 365 days of the Charity providing written notice of demand. No interest is charged, however when the property is sold, 31.3% of any proceeds in excess of £270,000 is added to the capital so the charity can share in any appreciation of the asset. The full loan was funded partly out of restricted donations from members of the Church and partly out of general funds. In October 2021 the property was sold and the loan repaid in full along with a £14,546 "profit share", which is included within investment income in note 2. In November 2021 a replacement loan was made for £99,046, with the same terms as the initial loan, secured on the new family home. After the year end the Pastor resigned and so the loan became repayable when employment ceased. Prior to these accounts being approved the property was sold and the loan repaid in full, together with a further £13,489 return on investment equal to the share in growth in value of the property. The return on investment and repayment of the loan will be reflected in the 2022/23 accounts. At the same time funds held in a restricted fund will be released according to the wishes of the original donors, and this is explained further in note 11.

8. DEBTORS AND PREPAYMENTS	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
Gift aid recoverable	2,512	-	2,512	2,953	-	2,953
Prepayments & Accrued income	400	-	400	-	-	-
	2,912	-	2,912	2,953	-	2,953

9. MEMBERS LOANS	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
Balance at 1 October	-	1,655	1,655	-	3,716	3,716
New loans	-	-	-	-	500	500
Repayments received	-	(1,355)	(1,355)	-	(2,561)	(2,561)
Balance at 30 September	-	300	300	-	1,655	1,655

Loans to members are technically repayable on demand but there is an expectation that the current loans should be cleared within the next 12 months.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
Accruals & deferred income	2,729	166	2,895	2,125	164	2,289
PAYE	597	588	1,185	859	748	1,607
	3,326	754	4,080	2,984	912	3,896

HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)

NOTES TO THE FINANCIAL STATEMENTS For the year ending 30 September 2022 (Cont.)

11. FUNDS			Bal 1 Oct 2021	Income	Expenditure	Transfers In / (Out)	Bal 30 Sept 2022
<u>Restricted Funds</u>							
Social Fund			7,617	-	(1,305)	-	6,312
Pastors loan			38,350	-	-	-	38,350
Evangelist			100,789	4,929	(32,906)	-	72,812
Womens Worker			12,377	-	(10,552)	-	1,825
Houseparty			787	-	-	-	787
Total restricted funds			159,920	4,929	(44,763)	-	120,086
<u>Unrestricted Funds</u>							
General funds invested in Tangible Fixed Assets			394,568	-	(5,701)	-	388,867
General funds invested in Long term investments			46,150	14,547	-	-	60,697
General free reserves			80,716	194,328	(169,635)	-	105,409
Total unrestricted funds			521,434	208,875	(175,336)	-	554,973
Total Funds			681,354	213,804	(220,099)	-	675,059
Social Fund	Some donations to the charity are made specifically to enable the church to provide grants to individuals in need and these are held in this restricted funds until needed. Any balance at the end of the year is available to spend in subsequent years.						
Pastors loan	As explained in note 7, in 2018/19 the charity made unsecured long-term loans to the Pastor and his wife. At the time of the original advance, donations totalling £38,350 were received from individuals to enable the charity to make the loan without putting unwarranted pressure on general funds. An amount equal to those donations has been held in a restricted fund since that time. After the end of the financial year but before these accounts were signed the loan was repaid and the restricted fund no longer required. Some donors (total value £13,900) requested that an amount equal to their donation should be given by way of gift to the former pastor and the remainder requested that their portion be released to general funds. All these transactions will be accounted for during 2022/23.						
Evangelist	Donations have been received over recent years to support employment costs of employing an Evangelist. The balance is sufficient to fund the post for a further 2 years.						
Womens Worker	A grant was received from FIEC in 2020 to fund employment costs for a Womens Worker. The remaining balance is sufficient to fund the post until December 2022.						

HEATON MOOR EVANGELICAL CHURCH (Operating as Emmanuel Community Church)

NOTES TO THE FINANCIAL STATEMENTS For the year ending 30 September 2022 (Cont.)

11. FUNDS (continued)

Houseparty	Occasionally church members go away for a teaching and fellowship weekend known as a houseparty. Donations are received to enable church members to attend at a notional cost. Any balance remaining after conference centre fees and expenses are paid is carried forward for future similar events.								
General funds invested in tangible fixed assets and long term investments	The charity has invested some of its general funds in the building on Green Lane, in furniture and equipment at both sites, and the long term loan to the Pastor. As there is no intention to dispose of the assets, these funds are not considered to be readily available for the charity to use in its day to day operations. A charge is made to cover the depreciation charge on tangible fixed assets, so that balances reduce in line with the carrying value of the related assets.								
General free reserves	Free reserves represent funds that are not restricted or designated for specific purposes or invested in fixed assets. The trustees have resolved to hold free reserves at a minimum of 3 months' running costs which would be c£60,000. Excess free reserves have been used in recent years to fund maintenance work at Green Lane and pay for additional staff and this will continue into the future.								