

# **Trustees Report to Charity Commission FYE 31/8/2020**

## **Introduction**

This report covers the activities of the Church for the 12m period ended 31 August 2020.

The affairs of the Church are managed by the Church Council (the 'Managing Trustees'), the members of which are also the charity Trustees. They are responsible for ensuring compliance with the principles and practice of Methodism and with the legislation relating to charities.

The latter includes registration, keeping proper accounts and making returns to the Charity Commission.

## **Aims and organisation**

The Mission of the Methodist Church as a whole is 'to respond to the gospel of God's love in Christ and to live out its discipleship through Worship, Learning and Caring, Service to others and Evangelism'.

In response to this calling and to better equip the local Church to meet those aims, the Church created 8 Mission Teams during 2017 to concentrate on specific areas of our Church Strategy, namely, Caring, Communications, Discipleship, Family and Youth, Finance, Outreach, Property and Worship.

The leaders of the Mission Teams report through a Leadership Team (responsible for day-to-day matters) to Church Council. The Church prepares an Annual Report on its Mission and activities which is presented to the wider congregation annually at the General Church Meeting for member approval.

The approved Vision Statement of the local church (as approved by Church Council in June 2015) is 'to be a church that is known for its Spirit-Led discipleship and its practical care in the community' and thus the Mission Team structure reflects our calling.

## **Minister's report on Church Activities - April 2020**

Once again, I find myself writing this report in the midst of huge turmoil and upheaval – this time through something that has come upon us uninvited – a global pandemic.

Again, in a different way we find ourselves caught up in uncertain circumstances that seem certain to impact what it means to be Christ's Church in the world today. My prayer is that we will draw on what we are and the things that have shaped our journey over the past year to build what we need to be going forward in faith.

As we look back over the past year, I am encouraged by the way London Road continues to engage with its calling to be Christ in this community today. From the many hours of faithful service so freely offered from Sunday services to Wednesday Lunch Clubs, from Prayer Meetings to Messy Church, from Pastoral Visiting to Night Shelter, from flower arranging to Sunday lunches and so many more in-between we are truly seeking to be Christ's light and life here in Horsham.

Of course, one opportunity for celebration has been afforded us through the faithful service of David & Jane Casey, who together with others in the congregation offer such vital ministry to the Syrian Refugees in our Community. Methodist Insurance has created an award to celebrate volunteers in the Church Community and, whilst David & Jane reluctantly allowed us to put their names forward, we are delighted to celebrate their achievement in being chosen as our regional winners for the Southern & Islands region. The prize that comes with the award is a £1,000 donation to Church funds and so we have been doubly blessed. Their names will go forward for the national award which will be announced sometime in April – perhaps even in time for our General Church Meeting! David & Jane were also given funds to celebrate their award and they have chosen to do so by celebrating with all those who volunteer in all kinds of different ways in the life of the Church. Look out for details and do join in.

One of the more significant aspects of the past year has been in the invitation to join in the conversation about the 2019 Conference Report on Marriage & Relationships: God in Love Unites Us. This is

a far-reaching report that seeks to explore the whole extent of human relating and sexuality with a view to discerning to what extent the Methodist Church of Great Britain might become even more inclusive in its stance on these issues. Here at London Road we engaged with the report over a period of three to four months by making available copies of the report and study guide for everyone; we covered aspects of the report in three different Sunday services; two of these were followed by congregational meetings in the week following the service; all our House Groups engaged with the report over two months; a final congregational meeting was held in November and in January opportunity was given for members to give personal feedback in writing as they wished. The general consensus was that, despite there being significant obstacles for some, particularly in regard to changing the definition of marriage in the church to include same-sex marriage, the report was favourably received and the proposed amendments to various resolutions to enable the church to move in this direction were accepted. We were not asked to express our opinion in a vote, but a report has been sent to the Circuit Meeting and on to Synod. The Conference Report will be debated and voted upon at our Spring Synod and Summer Conference. (At the time of writing both these gatherings are subject to conditions pertaining at the time regarding the Coronavirus pandemic) We will await the outcome of these deliberations which will shape how London Road will be able to move forward in response to Conference decisions.

Another aspect of our life together that I wish to highlight is our ongoing journey in shaping our understanding of ministry and mission in the life of London Road. Last year I mentioned how the Leadership Team, through their engagement with the book *The Shaping of Things to Come*, had been enthused by the authors' unpacking of Paul's five-fold description of mission and ministry in Ephesians 4. Well, the journey is begun, and we will be exploring APEST – what it means to be Apostolic, Prophetic, Evangelical, Shepherding & Teaching – in our endeavours both individually and collectively here at London Road. Rob Pitt and Peter Bramhill got us off to a good start in January and February exploring being Apostolic and in May I will be picking up the threads in terms of being Prophetic and between us we will continue through the

course of the rest of the year to explore and unpack each one. It is my prayer that we will be able to encourage each of you to understand and own your God-given gifts and opportunities to help shape the life of this church so that its ministry reaches out and touches others and draws them deeper into the love and life of God.

Finally, just to say a huge thank you to the Rev Sue Conroy and Philip Reeves who together with the Leadership Team enabled me to have one of my most detached and unaffected sabbaticals in the course of my ministry. Angela and I spent six weeks in South Africa over Christmas, and I followed that up with some explorations in the Enneagram and a six day individually guided retreat at St Bueno's in North Wales. It was really good to be able to relax knowing that the church was in good hands both pastorally and from a leadership point of view. Thank you to everyone who helped make that so. I'm sure there'll be more to follow as a result of my sabbatical journey so do watch this space!

## **Report on Financial Outturn**

The year-end accounts to 31 August 2020 have been approved by Church Council and Independently Examined.

Standard Form of Accounts (SFA) is the standardised way of presenting accounts to the Circuit and the Charity Commission and complies with the relevant legislation and accounting requirements.

There have been some presentational changes made to the SFA for the year ended 31 August 2020 and these are explained in the order in which they appear in the accounts.

The regular donations made by some people which LRMC then donates to the 3 nominated charities, Mission in Britain and the Fund for World Mission are now shown in the Restricted Funds along with the Gift Aid that is claimed on those donations.

The church has several internal organisations (Wednesday Lunch Club, Ladies Wednesday Club, Parents & Toddlers and Messy Church) that have separate funds which are not included in the church's bank and deposit accounts. The income and expenditure reported in Note 13 to the SFA are now also included in the

Restricted Funds and their balances at the end of the year are also included in the relevant lines.

There has been the opportunity for some confusion in the past as to how the various pots of money should be classified between Unrestricted Funds, Designated Funds and Restricted Funds.

To ensure clarity, from now on, the

**Designated Funds** will comprise: Property Development Fund, Memorials Fund, Benevolent Fund and Church Mission Fund

**Restricted Funds** will comprise: Legacies, Regular charity donations and internal organisations

**Unrestricted Funds** will be everything else apart from the monies for charities and other organisations deriving from retiring collections, events, special collections and funeral collections. For these we are only receiving money as agents for those organisations and it is never money belonging to London Road.

These are reported in Note 8 to the SFA

The Prior Year Adjustment implements this classification, adjusts the brought forward balance to include the internal organisations and corrects some minor errors in the prepayments and debtors and in the creditors.

The other gains and losses are changes to the property value based on the updated insurance assessment of rebuilding costs and an addition of £200,000 for the land value as previously approved by Church Council and as required by Methodist Church guidelines.

The church normally depreciates capital expenditure on the building and equipment over 5 years but we will depreciate the windows over 10 years as they have a much longer life and are guaranteed for 10 years.

Matters to note:

- Resulting from the pandemic we have had significant periods when we have been unable to worship face to face and, in line with Government and Methodist guidelines, have had to cease the community hiring of our premises.
- This has affected the way in which our members are able to make their mission giving but also led to the loss of significant income from hirings/lettings.
- We therefore undertook an extensive exercise with our members to seek and encourage giving by alternative (non-cash) means including online methods via cheque/direct transfer and CAF Donate. This has been very successful and sustained the mission giving.
- As a result of an early and critical review of all unnecessary property/hiring related expenses, we have also managed to broadly mitigate the loss of the hiring income contribution to our general funding profile, certainly during the period we remain closed.
- The challenge (for the next financial period) is how we will manage a changed financial profile as we come out of the pandemic.
- Overall, we achieved a surplus of £1,145 v budget deficit £7,938 (before the agreed allocation of 30% letting income to the Property Development Fund ('PDF')).
- Income - Key positive variation was the known reduction in letting income at £10,942 (budget £18,000) due to the closure. This compares to letting income of £16,527 in the previous year. Overall income for the year was c£10k below budget.
- Expenditure - overall spending was c£19,000 under budget mainly due to planned lower than budgeted property repair, renewals and related expenses incurred in the period following closure.

- Balance Sheet - Following the allocation of 30% of letting income to the property development fund reserve, the overall general fund deficit for the year is £2,455 (budget £13,338) reducing the net worth to £30,137 but still well in excess of the stated reserves policy to maintain 3 months operating expenditure.
- The balance sheet tangible fixed assets figure reflects the valuations following assessment by the Methodist Insurance Company in the previous financial year.
- Sundry creditors, in addition to uncleared payments, relates mainly to retiring collections and donations to be disbursed and Sundry debtors mainly to the prepaid Circuit Assessment for the following financial period and HMRC Gift Aid monies due in.

## **Risk Management and Governance**

Any major risks have been identified and recorded by the Trustees, with professional advice taken, as required. In particular, there is a regular and ongoing review of our Safeguarding obligations by our Safeguarding Officer; of 'Lone-Worker' activities and our Health and Safety policy by our H&S Officer. These policies are reviewed and updated every 3 years.

At the beginning of the pandemic, the Managing Trustees set up a Coronavirus Response Group to review, advise, implement and manage all Covid obligations arising from either the implementation of Government guidelines or that of The Methodist Church of GB. This group has reported regularly to both the Managing Trustees and the Leadership Team.

The Church is committed to ensuring implementation of Connexional Safeguarding Policy; government legislation; guidance and safe practices in the Church and Circuit through the provision of support, advice, guidance and training for lay and ordained people so that they are clear and confident to carry out their roles and responsibilities.

## **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 the image of God and therefore to protect them from harm.

"Methodist Connexional practice 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"

London Road Methodist Church commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the church.

The Church commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

### **Reserves Policy**

The approved reserves policy during this accounting period was to hold a minimum sum in general reserves equivalent to 3 months' average expenditure or such sum sufficient to meet unforeseen major expenditure on the Church building.

Church Council has agreed that the reserves policy definition and calculation should be reviewed in the subsequent financial period as a result of the financial impact of the pandemic.

### **Static Information**

Full Name of Charity: London Road Methodist Church ('LRMC'), Horsham

Charity Commission number: 1134052

Date of Registration (as a charity): 3 February 2010

Communication address: 41 London Road, Horsham, West Sussex, RH12 1AN

Treasurer: Mr Philip Reeves

Financial bookkeeper: Mr Fred King

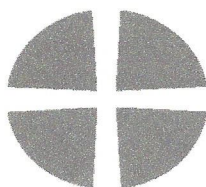
It is confirmed that Philip Reeves, as a Managing Trustee, acted as the principal officer overseeing the day-to-day financial management and accounting during the financial year.

Independent examiner: Mr Tony Canvin, 33 Kingmere, South Terrace, Littlehampton, West Sussex, BN17 5LD

Investment Bankers: Central Finance Board of the Methodist Church Trustees for Methodist Church Purpose.

Clearing Bankers: The Charities Aid Foundation 'CAF'

The previous HSBC account was closed by transfer to CAF after the Independent Examination for the previous financial period was completed and filed.



**Church  
Accruals Accounts  
2019-2020**

**THE METHODIST CHURCH**  
**STANDARD FORM OF ACCOUNTS**  
**ACCRUALS BASIS**  
**for the year ended 31 August 2020**

**London Road Methodist Church, Horsham**

Registered Charity - Charity Registration number

1134052

Dorking & Horsham Circuit

36 / 10

**Minister:**

Rev Gavin Hancocks

**Church Stewards:**

Mr Philip Reeves (senior)

Mr David Casey

Mrs Helen Currington

Mrs Elyane Dale

Mrs Pauline Henshall

**Church Treasurer:**

Mr Philip Reeves

**Statement of Financial Activities (SOFA) for the year ended 31 August 2020**

	Notes to the accounts	General Fund (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2019-2020 £
<b>Income</b>						
1 Offerings		61,826				61,826
2 Donations and sundry income	12	2,243	4,000	1,676		7,919
3 Gift Aid	12	12,920	1,000	419		14,339
4 Interest and investment income	12	224	-	209		433
5 Income from investment properties						0
6 Internal organisations	13	1,550		4,246		5,796
7 Lettings		10,942				10,942
8 <b>Total income</b>		<b>89,704</b>	<b>5,000</b>	<b>6,550</b>	<b>-</b>	<b>101,254</b>
<b>Expenditure</b>						
9 Circuit assessment or share		62,988				62,988
10 Grants and donations	12	1,175	300	2,095		3,570
11 Property maintenance		5,688				5,688
12 Insurance, utilities etc		8,320				8,320
13 Depreciation	9	3,495				3,495
14 Office expenses		2,899		36		2,936
15 Other expenditure		7,470				7,470
16 Internal organisations	13			4,684		4,684
17 <b>Total charitable expenditure</b>		<b>92,036</b>	<b>300</b>	<b>6,815</b>	<b>-</b>	<b>99,151</b>
18 Gains/(losses) on monetary investments		-	-	-		-
19 Gains/(losses) on investment properties		-	-	-		-
20 <b>Net income/(expenditure)</b>		<b>(2,331)</b>	<b>4,700</b>	<b>(265)</b>	<b>-</b>	<b>2,103</b>
21 Transfers between funds	12	6,503	(298)	(6,206)		-
22 Prior Year Fund adjustment	14	(20,150)	15,505	8,174		3,529
23 Other gains/(losses)	9, 13	327,779	-	350		328,129
24 <b>Net movement in funds</b>		<b>311,801</b>	<b>19,907</b>	<b>2,053</b>	<b>-</b>	<b>333,761</b>
25 Total funds brought forward	13	3,351,157	4,640	26,872		3,382,669
26 <b>Total funds carried forward</b>		<b>3,662,958</b>	<b>24,547</b>	<b>28,925</b>	<b>-</b>	<b>3,716,430</b>

**Statement of Financial Activities (SOFA) for the year ended 31 August 2019**

Notes to the previous accounts	General Fund (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2018-2019 £
<b>Income</b>					
1 Offerings	63,239				63,239
2 Donations and sundry income	2,202				2,202
3 Gift Aid	12,444				12,444
4 Interest and investment income	309		225		534
5 Income from investment properties	-				0
6 Internal organisations	2,692				2,692
7 Lettings	16,527				16,527
8 <b>Total income</b>	<b>97,413</b>	<b>-</b>	<b>225</b>	<b>-</b>	<b>97,638</b>
<b>Expenditure</b>					
9 Circuit assessment or share	62,048				62,048
10 Grants and donations	-				0
11 Property maintenance	8,090				8,090
12 Insurance, utilities etc	15,528				15,528
13 Depreciation	311				311
14 Office expenses	5,369				5,369
15 Other expenditure	10,514		49		10,563
16 Internal organisations	-				0
17 <b>Total charitable expenditure</b>	<b>101,860</b>	<b>-</b>	<b>49</b>	<b>-</b>	<b>101,909</b>
18 Gains/(losses) on monetary investments	-	-	-		-
19 Gains/(losses) on investment properties	-	-	-		-
20 <b>Net income/(expenditure)</b>	<b>(4,447)</b>	<b>-</b>	<b>176</b>	<b>-</b>	<b>(4,271)</b>
21 Transfers between funds	6,872	(4,670)	(2,202)		-
22 Prior Year Fund adjustment	26,803	(55,701)	28,898		-
23 Other gains/(losses)	-	-	-		-
24 <b>Net movement in funds</b>	<b>29,228</b>	<b>(60,371)</b>	<b>26,872</b>	<b>-</b>	<b>(26,944)</b>
25 Total funds brought forward	3,321,929	65,011	-		3,386,940
26 <b>Total funds carried forward</b>	<b>3,351,157</b>	<b>4,640</b>	<b>26,872</b>	<b>-</b>	<b>3,382,669</b>



**Balance Sheet as at 31 August 2020**Notes to the  
Accounts

		General Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2020 £	Totals 2019 £
<b>Fixed Assets</b>							
Church building and other property	9	3,632,800				3,632,800	3,298,412
Investment properties						0	0
Investments						0	0
<b>Total fixed assets</b>		<b>3,632,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,632,800</b>	<b>3,298,412</b>
<b>Current Assets</b>							
Debtors and prepayments		21,013	0	123		21,135	26,249
Loans by the Church						0	0
Investments with TMCP				18,166		18,166	18,047
Central Finance Board Deposits		108	24,547	7,313		31,968	40,576
Cash at Bank and in hand		12,087	300	3,742		16,129	7,687
<b>Total current assets</b>		<b>33,207</b>	<b>24,847</b>	<b>28,944</b>	<b>0</b>	<b>87,398</b>	<b>92,559</b>
<b>Current liabilities</b>							
Creditors (due in under 1 year)		3,049	300	419		3,768	8,302
Grants payable within 1 year						0	0
<b>Total current liabilities</b>		<b>3,049</b>	<b>300</b>	<b>419</b>		<b>3,768</b>	<b>8,302</b>
<b>Net current assets/liabilities</b>		<b>30,159</b>	<b>24,547</b>	<b>28,925</b>		<b>83,630</b>	<b>84,257</b>
<b>Total assets less current liabilities</b>		<b>3,662,959</b>	<b>24,547</b>	<b>28,925</b>	<b>0</b>	<b>3,716,430</b>	<b>3,382,669</b>
<b>Long term liabilities (due after more than one year)</b>							
Grants payable after 1 year		0				0	0
Loans to the Church						0	0
<b>Net assets</b>		<b>3,662,959</b>	<b>24,547</b>	<b>28,925</b>	<b>0</b>	<b>3,716,430</b>	<b>3,382,669</b>
<b>Funds of the Church</b>							
General Fund (Unrestricted)		3,662,959				3,662,959	3,351,157
Designated Funds (Unrestricted)			24,547			24,547	4,640
<b>Total Unrestricted Funds</b>						<b>3,687,505</b>	<b>3,355,797</b>
Restricted Funds				28,925		28,925	26,872
Endowment Funds					0	0	0
<b>Total Funds</b>		<b>3,662,959</b>	<b>24,547</b>	<b>28,925</b>	<b>0</b>	<b>3,716,430</b>	<b>3,382,669</b>

Signed

Church Treasurer

## Notes to the Accounts

### 1. Basis of accounting

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS102 – the Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

### 2. Funds

The funds held constitute:

General Funds held for any purpose of the Church which are Unrestricted;  
Designated Funds set aside for specific purposes but remaining under full control of the Trustees;  
Restricted funds which are held for a narrower purpose.

There are no Endowment funds.

Details of each material fund are disclosed in Note 12 to these accounts. Any funds may be represented by more than just cash.

### 3. Accounting policies

#### Basis

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

#### Incoming Resources

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

#### Resources Expended

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

#### VAT

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

#### Tangible fixed assets for use by the Church

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £1,000.

The freehold property is shown in the accounts at 2020 insurance values (as a proxy for the fair value calculated on a depreciated replacement cost basis) plus £200,000 for the value of the land.

Capitalised building expenditure incurred since the last full valuation is depreciated until its value is included in a full valuation. No other depreciation is provided on the building because the trustees consider the current residual fair value of the buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its current value. Any depreciation would not be material. The property has been reviewed for impairment.

#### Investment properties

Investment properties - no property is currently deemed to not be held for the long term purposes of the charity.

#### Investments

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

#### Debtors and Prepayments

The debtors and prepayment included in the accounts are in respect of lettings invoices, Circuit Assessment and Gift Aid recoverable.

#### Creditors

Creditors include both sundry expenses and bills outstanding at 31 August 2020.

#### 4. Payment to Trustees

Some trustees incurred expenses on behalf of the Church which were reimbursed but there were no payments made to trustees for services provided to the Church.

Trustee payments for services

	2019/20	2018/19
Number of Trustees	0	0
Total Amount	£0	£0

#### 5. Fees for examination or audit of the accounts

	2019/20 £	2018/19 £
Independent examiner's or auditors' fees for reporting on the accounts	NIL	NIL
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	NIL	NIL

A donation is made to a charity nominated by the Independent Examiner in lieu of any fees.

#### 6. Paid employees

There are no paid employees of the Church.

The Presbyterian with pastoral responsibility for the Church receives a Stipend but this is paid by the Circuit using funds received from each Church in the Circuit through the Circuit Assessment.

#### 7. Capital Commitments and Contingent Liabilities

At 31 August 2020 there are no capital commitments.

No Contingent liabilities were identified at 31 August 2020.

#### 8. For information only Money received and passed on to External Organisations

	2019/20 £	2018/19 £
Balance brought forward	5,285	4,257
Offering / Gifts - received for External Organisations	3,310	5,540
Offering / Gifts - passed to External Organisations	8,596	4,512
Balance carried forward	0	5,285

These monies comprise regular donations from some members which are split equally between three nominated charities and two Connexional funds, and the proceeds from collections and events through the year for these same charities and other organisations. Gift Aid is added to the regular donations where appropriate as these funds are donated to the church on the understanding that they will be applied to charitable donations from the church.

During the year the recording of these regular donations has been reviewed and it was determined that from 1 September 2019 the regular donations should be included in the Restricted Funds of the church rather than being shown as money received and passed on to external organisations.



## 9. Tangible Fixed Assets

Cost or valuation

	Church (non investment) Land & Buildings £	Other (non investment) Land & Buildings £	Other buildings £	Fixtures, fittings and equipment £	Payments on account and assets under construction £	Total £
Balance brought forward	3,289,720	0	0	45,379	0	3,335,099
Additions	0	0	0	10,104	0	10,104
Revaluations (+/-)	327,779	0	0	0	0	327,779
Disposals (-)						0
Transfers (+/-)						0
Balance carried forward	3,617,499	0	0	55,483	0	3,672,982

### Accumulated depreciation

Balance brought forward	0	0	0	36,687	0	36,687
Depreciation charge for year (-)	1,897	0	0	1,598	0	3,495
Revaluations (+/-)						0
Disposals (-)						0
Transfers (+/-)						0
Balance carried forward	1,897	0	0	38,285	0	40,182

### Net book value

Brought forward	3,289,720	0	0	8,692	0	3,298,412
Carried forward	3,615,602	0	0	17,198	0	3,632,800

## 10. Investment assets

The Church has no Investment properties.

The Church has no common investment fund holdings.

## 11. Loans

The Church currently has no loans.

## 12. Analysis of restricted and designated funds

2019-20

Fund Name	Opening Balance £	Incoming Resources £	Resources Expended £	Transfers £	Closing Balance £	Purpose of the fund
Benevolent Fund (Designated)	25	0	300	300	25	Support for individuals in specific need
Memorials Fund (Designated)	325	0	0	0	325	Available for funding member memorials
Church Mission Fund (Designated)	5,000	0	0	0	5,000	Available for funding church mission initiatives
Property Development Fund (Designated)	14,794	5,000	0	-598	19,196	Available to help with long-term church maintenance
Legacies (Restricted)	31,512	209	36	-6,206	25,479	Available to use against specific projects

Totals	51,657	5,209	336	-6,503	50,026
--------	--------	-------	-----	--------	--------

The opening balance has been adjusted to reflect the reconciliation of Legacy funds carried out at 31 August 2019 which was reported inconsistently in the previous accounts' Note 12.

### Breakdown of transfers

Transferring fund	Receiving fund				Totals	Reason
	General Fund	Property Development Fund	Benevolent Fund	Legacies		
General Fund	0	3,282	300	0	3,582	Lettings income and benevolent support policies
Property Development Fund	5,000	0	0	0	5,000	Chair purchase
Legacies	5,085	1,120	0	0	6,206	Chair purchase and repayment to Property Development Fund from legacy monies

Totals	10,085	4,402	300	0
--------	--------	-------	-----	---

### Comparative Analysis of restricted and designated funds

2018-19

Fund Name	Opening Balance £	Incoming Resources £	Resources Expended £	Transfers £	Closing Balance £	Purpose of the fund
Benevolent Fund (Designated)	25	0	0	0	25	Support for individuals in specific need
Memorials Fund (Designated)	325	0	0	0	325	Available for funding member memorials
Church Mission Fund (Designated)	5,000	0	0	0	5,000	Available for funding church mission initiatives
Property Development Fund (Designated)	29,924	0	20,088	4,958	14,794	Available to help with long-term church maintenance
Legacies (Restricted)	38,217	225	50	-6,872	31,520	Available to use against specific projects

Totals	73,491	225	20,138	-1,914	51,664
--------	--------	-----	--------	--------	--------

### 13. Internal Organisations 2019-20 Movements

Organisation	Opening Balance £	Incoming Resources £	Resources Expended £	Adjust £	Closing Balance £
Wednesday Lunch Club	1,013	2,173	2,571	0	615
Ladies Wednesday Club	199	938	659	350	827
Parents & Toddlers	2,184	900	1,204	0	1,880
Messy Church	138	235	250	0	123
<b>Totals</b>	<b>3,534</b>	<b>4,246</b>	<b>4,684</b>	<b>350</b>	<b>3,446</b>

The internal organisations of the church report to Church Council and hold their own funds separately. These funds are independent of those held within the Church accounts.

Although shown in the notes to the accounts, these internal funds have previously been omitted from the SOFA. This has been corrected this year by including the income and expenditure under Restricted Funds in lines 6 and 16 respectively. The closing balance is included in line 26 as funds carried forward at 31 August 2020.

A review of the Internal Organisations also found that the balance for one of them had been transferred to the General Fund of the church many years ago so this has been omitted this year. The figures for another were some years out of date. The difference to arrive at the correct balance at the end of the financial year for that Internal Organisation is shown as an adjustment and included as an Other Gain in line 23 of the SOFA.

### 14. Prior Year Adjustment on SOFA

During the preparation of the SOFA for the year a review was undertaken of the classification of funds between the General Fund (Unrestricted), Designated Funds (Unrestricted) and Restricted Funds. The review concluded that the previous classifications were not appropriate so adjustments have been made to bring the presentation at the end of the previous financial year into line with the review classification. The overall net financial impact of this presentational adjustment was £NIL.

In accordance with Note 13, an adjustment has also been made to increase the Restricted Funds brought forward from 31 August 2019 by the opening balance of the Internal Organisations.

Adjustments have also been made to correct an overstatement of £142 in Debtors and Prepayments and an overstatement of £137 in Creditors at 31 August 2019.

#### Summary of adjustments

Description	General	Designated	Restricted	Total
Restricted funds categorised as Designated	-	(4,640)	4,640	-
Designated funds categorised as General	(20,145)	20,145	-	-
Overstated Debtors and Prepayments	(142)	-	-	(142)
Overstated Creditors	137	-	-	137
Internal Organisations	-	-	3,534	3,534
<b>Total</b>	<b>(20,150)</b>	<b>15,505</b>	<b>8,174</b>	<b>3,529</b>




## DECLARATIONS

### Treasurer

I confirm that I have prepared these accruals-based accounts from the records of the Church and that they include all funds under the control of the Church Council

Signature of Treasurer



Date

9 JUNE 2021

Name

Mr Philip Reeves

Address

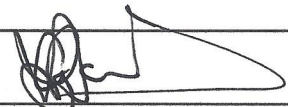
11 Reapers Close, Horsham  
West Sussex RH12 5TG

### Presentation to the Church Council for approval.

I confirm that the Accounts have been presented to the Church Council on  
and were approved.

9 JUNE 2021

Signature of the Chair of  
the meeting



Name of the Chair of the  
meeting

Rev Gavin Hancocks

Date

9/6/2021

### Independent Examiner's Report to the Trustees of the

London Road Methodist Church, Horsham

The Church's Trustees are responsible for ensuring that the annual report and accounts present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The Trustees consider that an audit is not necessary for this year under Section 144 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 Charities Act 2011;
- follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the Charities Act 2011; and
- state whether particular matters have come to my attention.

## Basis of Independent Examiner's Report

My examination was carried out in accordance with the 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 with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts, 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 no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

## Independent Examiner's Statement

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

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 130 of the Charities Act 2011;
- and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

have not been met; or

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

(3) I have/have not\* obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Name

TONY CANVIN

Signature



Relevant Professional qualification or body

Address

33 KINGMERE, SOUTH TERRACE,  
LITTLEHAMPTON, WEST SUSSEX  
BN17 5LB

Date

10<sup>th</sup> MAY 2021