

BETHEL EVANGELICAL FREE CHURCH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

REGISTERED CHARITY NUMBER: 1135831

Cound & Co LLP
Chartered Accountants
1 Princes Court
Royal Way
Loughborough
Leics LE11 5XR

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**BETHEL EVANGELICAL FREE CHURCH
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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BETHEL EVANGELICAL FREE CHURCH

REPORT OF THE OFFICERS FOR THE YEAR ENDED 31 DECEMBER 2021

The officers present their report along with the financial statements of the charity for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and comply with the Church's trust deed and applicable law.

REFERENCE AND ADMINISTRATIVE DETAILS:

Inland Revenue Charity Ref: XN 26557

Charity Number: 1135831

Holding Trustees:

A Davis
D Eagles
W Easton
P Harrison

Church Elders:

Rev D Eagles (Pastor)
A Davis
W Easton
P Harrison

Church Deacons:

(No Deacons serving during the year ended 31 December 2021)

Church Premises:

Burleigh Avenue, Wigston, Leicester, LE18 1FH

Independent Examiners:

Cound & Co LLP
Chartered Accountants
1 Princes Court
Royal Way
Loughborough
Leics, LE11 5XR

Bankers:

NatWest plc

BETHEL EVANGELICAL FREE CHURCH**REPORT OF THE OFFICERS FOR THE YEAR ENDED 31 DECEMBER 2021****STRUCTURE GOVERNANCE AND MANAGEMENT**

Until 2010, the Church was constituted under a trust deed dated 9 December 1981, and was an “excepted” charity by virtue of its affiliation to the Fellowship of Independent Evangelical Churches. However, in order to comply with the Charities Act 2006, a new Constitution dated 9 March 2011 using an approved governing document issued by the Fellowship of Independent Evangelical Churches has been adopted and the Church has become a “Registered Charity”.

Appointment of Trustees

In accordance with the constitution, the Managing Trustees comprise those persons appointed as Pastors, Elders and Deacons. There is provision for a minimum of three trustees at any one time. A number of Holding Trustees are appointed from amongst the Managing Trustees to take responsibility for the Church buildings and property.

Trustee Induction and Training

As trustees are drawn solely from the ranks of Church Elders and Deacons, they are already very familiar with the workings of the Church. As such, no specific formal training is given to new trustees, although they are briefed to ensure that they are aware of their responsibilities and duties as trustees.

Organisation

The Holding Trustees and officers who have served during the year and since the year-end are set out on page 1. Pastors, Elders and Deacons are Managing Trustees and must all be in full agreement with the Church's doctrinal basis and “Church Matters” policy document:

Pastor: The appointment of a Pastor shall be by the unanimous recommendation of the Elders and Deacons and by the wholehearted spiritual witness of the Church Members’ Meeting, evidenced by the wholehearted approval of at least three quarters of those present at the Church Members’ Meeting.

Elders: Recognising the biblical pattern, the existing Elders are to be the ones who normally identify new Elders, with the membership being invited to give their wholehearted agreement (Titus 1:5) at the Church Members’ Meeting, evidenced by the approval of at least three quarters of those present at the Church Members’ Meeting.

Deacons: Following the biblical pattern, Deacons shall be adult members who conform to the scriptural qualifications (1Tim 3:8-10, 12 and 13 Acts 6:3). Church members will give recommendations to the Elders and Deacons for their consideration. The Elders and Deacons will bring persons with their consent to the membership for their wholehearted agreement at a Church Members’ Meeting, evidenced by the approval of at least three quarters of those present at the Church Members’ Meeting.

The Pastors, Elders and Deacons shall normally serve without time limit up to the age of seventy, unless removed from office. However, Church Officers may be requested to continue in their office past this age, by the agreement of the other Church Officers and with an annual review. The following considerations should be taken into account when agreeing to continuation in office: health, gifts, mental capacity and the individual’s personal circumstances. A Pastor, Elder or Deacon may voluntarily resign by submitting in writing a letter to that effect to the remaining Church Officers. The Pastor will normally retire from office at the statutory retirement age.

Missionary Support Policy

The Church has continued to support several missionaries, both in the UK and Overseas, through discretionary support and designated gifts. Often, those supported have been sent out from Bethel to their new work and/or previously worked or served at Bethel Church.

BETHEL EVANGELICAL FREE CHURCH

REPORT OF THE OFFICERS FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES

The purposes of the Church shall be:

- The advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Wigston and the surrounding neighbourhood;
- And such other charitable purposes as shall, in the opinion of the members of the Church in general meeting and the Managing Trustees, further the work of the Church.

The trustees confirm that they have referred to the Charity Commissions guidance on public benefit when reviewing the Charity's aims and objectives in planning future activities and policies.

ACHIEVEMENTS AND PERFORMANCE

Following the UK Covid outbreak (March 2020), the Church moved all of its Sunday and midweek meetings on line and suspended the other groups. Regular meeting of members and friends was enabled on-line through Zoom. The Sunday morning service reverted to being held in person at the Church premises from June 2021. The service is also still available online or via DVD, for those who still cannot attend in person, although the vast majority of people have now returned to the Church on Sunday.

The Church normally holds one service on a Sunday, as well as mid-week and ad-hoc meetings to teach the Christian faith and to provide opportunities for worship. In addition, the Church hosts activities for all ages, from tots and parents, through children, boys, girls, teenagers, young adults, ladies, men and senior citizens, which combine social activities with opportunities for teaching. The Church also arranges outreach events to raise awareness of the local Church in particular and the Christian faith in general. All the above activities and meetings are open to society in general and are not restricted to members of the Church.

The regular meetings were disrupted (by Covid) throughout the first half of the year, but most activities resumed from the second half of the year, including Weekly Kids at the Corner and Youth Meetings, as well as special opportunities such as the Christmas family services and Carols by Candlelight. The Easter Children's Holiday Club, Youth Mix and the Bible Exhibition for local schools all restarted in the first half of 2022.

"The Corner" coffee area and refurbished church hall are now used widely by the Church and also to provide an open door to the local community. This now hosts two new regular sessions, Community Night (held on Monday evening) and Friendship Café (held on Thursday morning) which are very well attended.

FINANCIAL REVIEW

Income received during the year totalled £96,835, principally from donations to the Church, and was lower than the corresponding amount received in 2020 (£110,929). The 2021 giving included £15,664 designated for the Building Fund (2020: £25,936). Included in Other income is the receipt from the insurance claim made from the flooding in the Church.

Total payments during the year were £62,403, which was lower than the expenditure in 2020 (£78,994). The 2021 expenditure included a church building and refurbishment costs of £13,830 (2020: £31,028). The "normal" 2021 expenditure of £48,573 is slightly higher than the equivalent 2020 figure of £47,966. Overall, this meant that the Church reported a surplus for the year of £34,432 (2020: £31,935).

BETHEL EVANGELICAL FREE CHURCH**REPORT OF THE OFFICERS FOR THE YEAR ENDED 31 DECEMBER 2021****RESERVES POLICY**

Reserves are set aside to respond to any unforeseen funding difficulties. The Church officers produce a budget each year to forecast the amount of income that the Church expects to receive. Based on this, the Church will plan its expenditure for the future year, so that it keeps normal expenditure pegged to slightly below the level of income.

The overall budget is reviewed during the year at Church officer meetings to ensure that the Church can achieve its targets regarding planned expenditure and make any adjustments as necessary to keep within it.

RISK MANAGEMENT

The officers have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

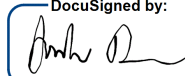
Trustees' responsibilities in relation to the financial statements

The laws applicable to charities in England and Wales require the officers to prepare financial statements for each financial year which give a true and fair view of the Church's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the officers are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed
- subject to any departures 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 Church will continue to function.

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

Approved by the trustees and church officers on 14 June 2022 and signed on their behalf by:

DocuSigned by:

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A Davis
Treasurer

**INDEPENDENT EXAMINERS' REPORT TO THE OFFICERS OF
BETHEL EVANGELICAL FREE CHURCH**

I report on the accounts of the Church for the year ended 31 December 2021, which are set out on pages 6 to 10

Respective responsibilities of the Church officers and examiners

The Church officers are responsible for the preparation of the accounts. The Church officers consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of independent examiners' report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Church 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 you as officers 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" and the report is limited to those matters set out in the statement below.

Independent examiners' 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; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave 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.

D R Gradon
Cound & Co LLP
Chartered Accountants
1 Princes Court
Royal Way
Loughborough
Leics, LE11 5XR

DocuSigned by:

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14 June 2022

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BETHEL EVANGELICAL FREE CHURCH
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	<u>Notes</u>	2021 Other Designated <u>Funds</u>	2021 General <u>Funds</u>	2021 Designated Building <u>Funds</u>	2021 <u>Total</u>	2020 <u>Total</u>
Receipts:						
Donations and legacies		-	78827	15664	94491	110813
Charitable activities:						
Use of Church facilities		-	-	-	-	50
Other income		-	2344	-	2344	-
Investment income		-	-	-	-	66
		<u>-</u>	<u>81171</u>	<u>15664</u>	<u>96835</u>	<u>110929</u>
Payments:						
Charitable activities:						
Pastoral ministry	2	-	37441	-	37441	37970
Evangelism and outreach	3	-	170	-	170	937
Establishment costs	4	-	10962	13830	24792	40087
		<u>-</u>	<u>48573</u>	<u>13830</u>	<u>62403</u>	<u>78994</u>
Net receipts/(payments)		-	32598	1834	34432	31935
Transfers		-	-	-	-	-
		<u>-</u>	<u>32598</u>	<u>1834</u>	<u>34432</u>	<u>31935</u>
Surplus/(deficit) for the year		-	32598	1834	34432	31935
Bank balances at 1 January 2021		-	42053	3854	45907	13972
Surplus/(deficit) for the year		-	32598	1834	34432	31935
		<u>-</u>	<u>74651</u>	<u>5688</u>	<u>80339</u>	<u>45907</u>
Bank balances at 31 December 2021		-	74651	5688	80339	45907

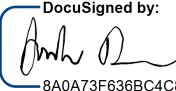
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BETHEL EVANGELICAL FREE CHURCH

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2021

	Note	2021 Other Designated Funds	2021 General Funds	2021 Designated Building Funds	2021 Total Funds	2020 Total Funds
<u>FIXED ASSETS</u>						
Freehold land and buildings	5	-	285712	-	285712	271882
Fixtures and fittings	5	-	4365	-	4365	4989
		=====	=====	=====	=====	=====
		-	290077	-	290077	276871
		=====	=====	=====	=====	=====
<u>CURRENT ASSETS</u>						
Prepayments		-	-	-	-	-
Bank balances		-	74651	5688	80339	45907
		=====	=====	=====	=====	=====
		-	74651	5688	80339	45907
		=====	=====	=====	=====	=====
<u>CURRENT LIABILITIES</u>						
Creditors and Accruals		-	1020	-	1020	2820
		=====	=====	=====	=====	=====
<u>NET CURRENT ASSETS</u>						
		-	73631	5688	79319	43087
		=====	=====	=====	=====	=====
<u>TOTAL NET ASSETS</u>						
		-	363708	5688	369396	319958
		=====	=====	=====	=====	=====
<u>FUND BALANCES</u>						
General Fund	6	-	363708	-	363708	316104
Restricted Fund	6	-	-	-	-	-
Designated Funds:						
Building Fund	6	-	-	5688	5688	3854
Other Funds		-	-	-	-	-
		=====	=====	=====	=====	=====
		-	363708	5688	369396	319958
		=====	=====	=====	=====	=====

The Financial Statements on pages 6 to 10 were approved by the trustees on 14 June 2022 and signed on their behalf by:

DocuSigned by:

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A Davis

BETHEL EVANGELICAL FREE CHURCH**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021****1 ACCOUNTING POLICIES****a) Funds**

General 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.

Designated funds are unrestricted funds that have been designated for a particular use, in this case representing the Church's Buildings fund.

Restricted funds are those funds that must be spent on the restricted purposes as specified by the donor.

2 PASTORAL MINISTRY AND MISSIONARY SUPPORT

	2021 Other Designated <u>Funds</u>	2021 General <u>Funds</u>	2021 Designated Building <u>Funds</u>	2021 Total <u>Funds</u>	2020 Total <u>Funds</u>
Pastoral remuneration and expenses	-	35927	-	35927	35927
Employer's Pension Contributions	-	891	-	891	891
Employer's NIC	-	-	-	-	817
Visiting preachers	-	170	-	170	35
Missionary support	-	-	-	-	300
Training Costs	-	453	-	453	-
	_____	_____	_____	_____	_____
	-	37441	-	37441	37970
	=====	=====	=====	=====	=====

The Church employs a Pastor. All of the Elders (including the Pastor) and Deacons are Managing Trustees, as they are all included in making decisions on how the charity's funds are expended. To avoid a conflict of interest, the Pastor continues to be excluded from all discussions relating to him and his remuneration. The Pastor is the only trustee to receive any remuneration or expenses; however other trustees have been reimbursed during the year for expenditure they have incurred on behalf of the Church.

3 EVANGELISM AND OUTREACH

	2021 Other Designated <u>Funds</u>	2021 General <u>Funds</u>	2021 Designated Building <u>Funds</u>	2021 Total <u>Funds</u>	2020 Total <u>Funds</u>
Bible exhibitions	-	-	-	-	426
Outreach expenses	-	170	-	170	511
	_____	_____	_____	_____	_____
	-	170	-	170	937
	=====	=====	=====	=====	=====

BETHEL EVANGELICAL FREE CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

4 ESTABLISHMENT COSTS

	2021 Other Designated <u>Funds</u>	2021 General <u>Funds</u>	2021 Designated Building <u>Funds</u>	2021 Total <u>Funds</u>	2020 Total <u>Funds</u>
Rates and water	-	933	-	933	1307
Insurance	-	1409	-	1409	1279
Light and heat	-	2391	-	2391	2763
Repairs and maintenance	-	1829	-	1829	2229
Cleaning	-	190	-	190	-
Telephone	-	488	-	488	438
Postage, stationery and photocopying	-	-	-	-	40
FIEC affiliation fees	-	750	-	750	750
Catering	-	-	-	-	107
DBS Checks	-	146	-	146	-
Other miscellaneous costs	-	6	-	6	146
Independent examination and payroll fee	-	2820	-	2820	-
Fixed Asset Purchases	-	-	13830	13830	31028
	—	—	—	—	—
	-	10962	13830	24792	40087
	—	—	—	—	—

5 FIXED ASSETS

<u>Cost</u>	Freehold Land and <u>Buildings</u>	Fixtures and <u>Fittings</u>	<u>Total</u>
At 1 January 2021	271882	22654	294536
Additions	13830	-	13830
	—	—	—
At 31 December 2021	285712	22654	308366
<u>Depreciation</u>			
At 1 January 2021	-	17665	17665
Charge for the year	-	624	624
	—	—	—
At 31 December 2021	-	18289	18289
	—	—	—
Net Book Value at 31 December 2021	285712	4365	290077
	—	—	—
Net Book Value at 31 December 2020	271882	4989	276871
	—	—	—

BETHEL EVANGELICAL FREE CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Church's freehold properties comprise:

- a) The Church buildings situated in Burleigh Avenue, Wigston (acquired 14 October 1950).
- b) The Church hall, bookshop and flat situated at the corner of Burleigh Avenue and The Crescent, Wigston (acquired 24 November 1955).

The Church officers estimate that the market value of the Church's properties following the refurbishment project is about £750,000.

6 ANALYSIS OF NET ASSETS BY FUND

	2021 Other Designated <u>Funds</u>	2021 General <u>Funds</u>	2021 Designated Building <u>Funds</u>	2021 Total <u>Funds</u>	2020 Total <u>Funds</u>
Fixed Assets	-	290077	-	290077	276871
Current Assets	-	74651	5688	80339	45907
Current Liabilities	-	(1020)	-	(1020)	(2820)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	363708	5688	369396	319958
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Designated Funds are represented by:					
	B/Fwd <u>2020</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	C/Fwd <u>2021</u>
Building Fund	3854	15664	(13830)	-	5688
Other Funds	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	3854	15664	(13830)	-	5688
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Building Fund represents money received from a legacy in 2014 together with donations, which have been set aside for a project to redevelop the Church's buildings. Work on the buildings commenced in 2018 and was completed in 2021.