

THE METHODIST CHURCH
REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
(ACCRUALS BASIS)
for the year ended 31 August 2022

Wesley Methodist Church, Chester

Registered Charity - Registration number

1138016

North Cheshire Circuit	Circuit No	11/1
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Ministers

Revd J Neil Stacey

Stewards

Dr Mark Gant
Mr Michael Haynes
Mrs Heather J Walker
Professor David Clough
Dr David Acquaye
Ms Sarah Pearson

Church Treasurer

Mrs Shirley Stacey

WESLEY METHODIST CHURCH, CHESTER

TRUSTEES ANNUAL REPORT TO THE CHARITY COMMISSION FOR WESLEY METHODIST CHURCH, CHESTER (CHARITY NO. 1138016): YEAR ENDING 31st AUGUST 2022

SECTION 1: OVERVIEW REPORT

1. Introduction

Wesley Methodist Church Chester has the working name of The Wesley Church Centre; it is simply known as 'Wesley' by many people locally. The charitable objects are those of the Methodist Church, and include commitment to Christian service through worship, prayer and community involvement, which provides significant public benefit.

2. Wesley's Mission Statement

As part of the Methodist Church, Wesley's mission is: **"To proclaim and affirm our conviction of God's love in Christ for us and for all the world; and renew confidence in God's presence and action in the world and in the church."**

The Wesley family is gathered from all over Chester and beyond. Our premises themselves form a primary point of connection with each other, and our particular calling arises from their location in the heart of the city.

We are called:

- to open the Wesley Church Centre as a resource for all;
- to encounter and engage with people beyond our fellowship's margins; and so
- to make new relationships with individuals, groups and organisations.

We aim to create a space of warmth and openness in which we can:

- offer **hospitality** to those coming into the city centre
- sensitively offer friendship, a sense of **belonging** and pastoral care
- offer opportunities for **worship, prayer and reflection**
- provide opportunities for personal, social and spiritual **development**
- promote action for **social justice** and transformation
- form **pathways** to engagement in Christian community and to faith commitment

3. Review of Wesley Church Centre Life: 1st September 2021 to 31st August 2022

3.1 Sunday Worship, Weekday Activities and Church Life

The Circuit Superintendent, Revd Neil Stacey, took over pastoral oversight of Wesley on 1.9.21.

Wesley's membership at 1st September 2022 was 130. Sunday morning worship continued throughout the year in a hybrid format i.e. worship in the building together with online participation by Zoom and streaming to Facebook. Wesley's junior church ('SPLAT!') met fortnightly. A significant effort was made during the year to increase the diversity of music in worship, with a range of instruments now being used on a regular basis alongside the organ.

WESLEY METHODIST CHURCH, CHESTER

Wesley is a member of the national Inclusive Church Network, preaches a strong message of inclusion and extends a welcome to all. An ecumenical 'Open Table' monthly Sunday evening communion service for the LGBTQIA+ community and their supporters continued as a valued fellowship on Zoom and then resumed on the premises as the year progressed.

Sunday evening meditative services, 'Quiet Space', took place monthly throughout the year.

Wednesday evening prayer meetings took place via Zoom throughout the year, together with midweek bible studies, fellowship meetings, discussion groups and other learning opportunities.

Rev'd Claire Heald co-ordinated the Wesley pastoral care team during the year with telephone calls and visits being made where needed. Hospital visiting remained restricted for a significant part of the year as the result of ongoing Covid measures in healthcare.

3.2 Centre Activities

3.2.1 To Open the Wesley Church Centre as a Resource for All

Wesley continued to be valued as a place of hospitality where conversation is always possible and where friendships can be made. Church centre footfall and event attendances recovered as national restrictions associated with the Covid-19 pandemic were removed during the year, though they have not yet been restored to pre-pandemic levels.

The Café run by Wesley Coffee Bar (Wesley's related 'limited by guarantee' company) continued to be the heart of Wesley's 'Open Door', Tuesday to Saturday. The Fair Trade Shop run by Chester Fair Trading Limited also played an important part in Wesley's community outreach and offering to visitors. Wesley is committed to using fair trade goods wherever reasonably practicable.

As Covid restrictions continued to be lifted, we were able to once again expand the letting of Wesley's rooms and spaces to a wide range of organisations and community groups.

3.2.2 To Encourage and Engage with People Beyond Our Fellowship's Margins

'Music at Wesley' ran 44 Tuesday lunchtime concerts between early September and mid July, together with 4 Saturday recitals and 2 evening concerts in the year. These were highly appreciated by enthusiastic audiences, with an average concert attendance of 77.

In March, Andy Harrison performed Murray Watts' play 'Fire from Heaven' about Michael Faraday to an audience of over 90, with all proceeds being donated to All We Can's Ukrainian Humanitarian Relief appeal.

Community Bread Making sessions were organised on Mondays by the co-operative social enterprise 'Bread Together', in partnership with Wesley. People came to make new friendships, build confidence and to learn to make bread. They included adults and children, those with learning and/or physical disabilities, those recovering from mental health problems, addictions and homelessness. The activity was a valued resource for social care agencies and one-to-one care staff. On a number of Wednesdays in the year additional breadmaking sessions were held for a support group for autistic/neurodiverse adults.

The Wesley Crèche is Wesley's longest standing form of community outreach. Crèche sessions resumed on Thursday and Friday mornings in September 2021, together with a Wesley run parent & toddler group on Wednesday mornings.

3.2.3 To Make New Relationships with Individuals, Groups and Organisations

In November Church Council unanimously resolved that Wesley would be registered for the solemnisation of marriages of same sex couples. Given Wesley's long-standing commitment to inclusion, it is a great source of joy that Wesley is now able to extend these ceremonies to the LGBTQIA+ community.

WESLEY METHODIST CHURCH, CHESTER

Meet-up sessions for Ukrainian guests taking refuge from the war in Ukraine and their local hosts commenced in May and became a valued weekly fixture on Saturday afternoons. Sessions included craft activities for the adults and games for the children as well as an opportunity to meet and chat. In August the Ukrainian guests prepared a delicious lunch for hosts, session volunteers and the wider community which was greatly appreciated.

A Church Centre Co-ordinator role was developed during the year with the aim of ensuring the smooth running of the centre and creating opportunities to develop relationships with both existing and potential centre users.

3.3 Church Premises

During the year Wesley's 2017 'Regenerate!' project to restore and modernise the Worship Space was awarded a commendation in the Cheshire West and Chester Civic Awards for Design and Conservation 2021.

A project to fully restore Wesley's fine 1926 James J Binns pipe organ was approved by Church Council in December and successfully carried out by David Wells Organ Builders Ltd between January and June.

Other maintenance tasks were carried out during the year, including regular servicing, reactive repairs and exterior painting.

4. Future Plans

Deacon Suzie Sale has been appointed by the Methodist Conference to share with Revd Neil Stacey in ministry at Wesley from 1st September 2022.

In the light of the post-pandemic context and new staffing arrangements, we will be reviewing our mission statement and priorities. We will be looking to share with other churches and agencies in the city to find ways to respond to the cost-of-living crisis many people are facing.

As anticipated, we will be undertaking major work on one of the building's flat roofs; and we are commissioning a professional audit of the premises with a view to exploring further energy-efficiency and other ecological measures. We are continuing to work towards the achievement of a silver award from the A Rocha organisation as an Eco Church.

5. Conclusion

The ongoing effects of the Covid-19 pandemic continued to present significant challenges to Wesley's life and mission during 2021/22. Although many activities have returned to pre-pandemic levels, numbers at both Sunday services and mid-week activities remain suppressed. A diversity of worship has been appreciated by those who have attended, and it has been a privilege to be able to offer a welcome to Ukrainian guests and their hosts at their regular gatherings. We continue to celebrate our commitment to inclusivity and are pleased to now be registered to conduct same sex marriages.

The ongoing cost-of-living crisis is likely to impact on Wesley in the coming months as energy costs, in particular, continue to increase. We are looking at ways to address these challenges; and remain intent on continuing to reshape and rebuild our offering in Chester City Centre in 2022/23 to meet the changing needs of our congregation and the wider community.

WESLEY METHODIST CHURCH, CHESTER

SECTION 2: TRUSTEES ANNUAL REPORT ON FINANCE AND GOVERNANCE

2.1 BASIS OF PREPARATION AND LEGAL FRAMEWORK OF ACCOUNTS

Wesley Methodist Church, Chester is a church within the Methodist Connexion in Great Britain and these accounts are prepared in accordance with the constitution, practice and discipline of that Church. The financial statements have been prepared under the Charities Act 2011 in accordance with the *Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS102))* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities applicable in the UK (effective from 1 January 2015), the Financial Reporting for Smaller Entities (effective 1 January 2015) and the Charities Act 2011. The accounts relate to the Church and its various organisations and its wholly owned subsidiary and related company.

Full Name of Charity / Church: **Wesley Methodist Church, Chester**

Registration Charity Number: **1138016**

Date of registration: **15th September 2010**

Main communication address: **Wesley Methodist Church, St John Street, Chester CH1 1DA**

The members of the Church Council of Wesley Methodist Church, Chester are the Charity Trustees. The membership is made up of Circuit Ministers, church office holders and representatives appointed by the church at the Annual General Church Meeting.

The full list of Church Council members, including changes during the financial year, are shown as Appendix A to this report.

Treasurer: **Mrs Shirley Stacey**

Independent Examiner: **Integrity Partnership, Chartered Certified Accountants and Chartered Tax Advisers**

Investment Bankers: **Central Finance Board of the Methodist Church, Trustees for Methodist Church Purposes**

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2.2 GOVERNANCE

2.2.1 Aims and organisation

As registered with the Charity Commission (Charity no. 1138016):

Wesley is a Christian faith community offering regular Christian worship and community hospitality through its premises during the week, including arts and music events and exhibitions, cafe facilities (via its affiliated company, Wesley Coffee Bar), crèche and toddler groups, community bread making sessions and lettings to a variety of local groups.

2.2.2 Purposes of the Methodist Church

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

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

2.2.3 Main activities of the church

Wesley Methodist Church engages in a wide range of activities aimed at both its own members and the wider community:

- The celebration of God's love in worship and prayer.
- The organisation and resourcing of regular public acts of worship which aim to be open and accessible to all.
- The teaching of Christianity through sermons, courses and small groups.
- The conduct of baptisms, weddings and funerals.
- The resourcing of pastoral work including visiting the sick and bereaved.
- Taking religious assemblies in local schools.
- Promotion of Christianity through the staging of events and services.
- Provision of hospitality throughout the week through the Wesley Café.
- Provision of regular lunchtime and evening concerts and arts activities and events.
- Provision of community bread making sessions.
- Hosting of crèche and toddler groups.
- Provision of facilities for various organisations and community group meetings.

2.2.4 Public Benefit

We confirm that the trustees have had regard to the Charity Commission's guidance on public benefit which has been delivered in the areas of religious worship, community support, and other charitable activities.

2.2.5 Structure, Governance and Management

The governing document for the church is the Deed of Union (1932) and Methodist Church Act (1976).

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the church is undertaken by the Church Leadership Team which is made up of the Church Stewards, Treasurer and the Minister(s).

WESLEY METHODIST CHURCH, CHESTER

Some of the Trustees are appointed ex officio as Circuit Ministers and the others are appointed as church role holders and as representatives by the annual General Church Meeting.

2.2.6 Trustee Training

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

2.2.7 Related Parties

The Church is part of the North Cheshire Methodist Circuit which is part of the Chester & Stoke-on-Trent Methodist District and is also accountable to the Methodist Conference.

2.2.8 Risk Management

The major risks have been identified and recorded by the Trustees with professional advice taken as required. There is a regular annual review process undertaken and recorded.

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

2.2.9 Safeguarding

The Methodist Church, along with the whole Christian community, believes each person has a value and dignity which comes directly from God's creation 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

Wesley Methodist Church, Chester commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches.

Wesley Methodist Church, Chester 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.

2.2.10 Reserves Policy

The Reserves Policy for the Church is to aim to hold a minimum sum in the General Fund together with the Contingency - Building Fund equivalent to 6 months' average expenditure. This should be sufficient to meet unforeseen items of major expenditure on the church buildings and/or to be able to continue, in the short term,

WESLEY METHODIST CHURCH, CHESTER

funding planned activities in the event of any inability to raise the full expenses including the assessment payable to the Methodist Circuit. A separate and more detailed Reserves Policy document, updated annually, covers the policy of building provisions in contingency funds to cover for known major expenditures (e.g. Church Centre flat roof replacement) that are likely to be required in the next 5 years.

Signed on behalf of the Managing Trustees of Wesley Methodist Church, Chester

Name: Revd J N Stacey

Role: Chair of the Managing Trustees of Wesley Methodist Church, Chester

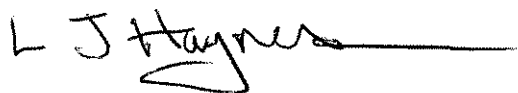
A handwritten signature in black ink, appearing to read 'J N Stacey', with a horizontal line drawn underneath the name.

Signature:

Date: 24th March 2023

Name: Mr L Haynes

Role: Secretary of the Managing Trustees of Wesley Methodist Church, Chester

A handwritten signature in black ink, appearing to read 'L J Haynes', with a horizontal line drawn underneath the name.

Signature:

Date: 24th March 2023

WESLEY METHODIST CHURCH, CHESTER

APPENDIX A: CHURCH COUNCIL MEMBERSHIP (i.e. MANAGING TRUSTEES): from 1.9.21 to 31.8.22

MEMBERSHIP CATEGORY		NAME (as at 1.9.21)	CHANGES SINCE 1.9.21
Ministers		Revd Neil Stacey Revd David Goodwin	Resigned 31.8.22
Church Stewards		Dr Mark Gant Michael Haynes Heather Walker Prof. David Clough Dr David Acquaye Sarah Pearson	Resigned 31.8.22
Church Safeguarding Co-ordinator		Jane Krause	
Church Treasurer		Shirley Stacey David Jacques (assistant)	Resigned 30.9.21
Secretary of Church Council		Leyland Haynes	
Admin. Committee Secretary		Brian Heald	
Property Steward		Stephen Bowden	
Secretary of Pastoral Committee		Gillian Langrick	
Junior Church Liaison		Ian Evans	Resigned 10.02.22
Circuit Steward Representative		Gill Townsend	
Not less than 6 and not more than 15 representatives elected by the annual General Church Meeting <i>(who are members of the Church)</i>	1. 2. 3. 4. 5. 6. 7. 8. 9. 11. 12. 13. 14.	Dr Hazel Erskine Helen Haynes Dr Heather Pearson Malcolm Pearson Andrew Ramsey Dr Derek Fry Julie O'Connell Laura Etheridge Angela Macquiban Jeremy Heald Chris Royton Terry Green Pauline Goodlad	Resigned 21.9.21 Appointed 26.6.22 Appointed 26.6.22

WESLEY METHODIST CHURCH, CHESTER

Statement of Financial Activities (SOFA) for the year ended 31 August 2022

	Notes to the accounts	General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
		£	£	£	£	£	£
Income							
Income relating to the Church	4	115,492	-	42,383	-	157,875	127,080
Fundraising Income	5	22,216	-	-	-	22,216	8,584
Interest & Investment Income	6	1,152	-	54	-	1,206	734
Income supporting the Mission of the Church	7	2,304	1,030	3,186	-	6,520	1,094
Other Charitable Income	8	3,780	-	-	-	3,780	5
Other Income	9	36,988	-	-	-	36,988	16,594
Trading Income	10	52,258	-	-	-	52,258	24,915
Total income		234,190	1,030	45,623	-	280,843	179,007
Expenditure							
Expenditure relating to the Church	11	135,467	93,019	73,648	-	302,134	117,703
Fundraising Expenditure	12	6,596	-	-	-	6,596	3,669
Interest & Investment costs		528	-	-	-	528	371
Expenditure on the Mission of the Church	13	5,048	500	644	-	6,192	3,902
Other Charitable Expenditure	14	7,520	-	-	-	7,520	3,651
Other Expenditure		1,333	-	-	-	1,333	481
Depreciation	20	934	-	-	-	934	1,603
Trading Expenditure	15	50,900	-	-	-	50,900	34,388
Total expenditure		208,327	93,519	74,292	-	376,138	165,769
Gains/(losses) on monetary investments		-	-	-	986	986	2,421
Gains/(losses) on investment properties		-	-	-	-	-	-
Net income/(expenditure)		25,863	- 92,489	- 28,669	- 986	- 96,281	15,659
Transfers between funds	16	- 25,439	55,439	30,000	-	-	-
Gains/(losses) on Fixed Assets	20	-	-	-	-	-	-
Net movement in funds		424	- 37,050	- 58,669	- 986	- 96,281	15,659
Total funds brought forward		788,107	169,170	65,262	19,457	1,041,996	1,026,336
Total funds carried forward		788,531	132,121	6,593	18,470	945,714	1,041,996

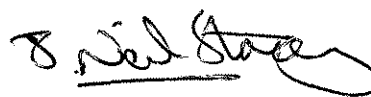
The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

WESLEY METHODIST CHURCH, CHESTER

Balance Sheet as at 31 August 2022

	Notes to the Accounts	General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
		£	£	£	£	£	£
Fixed Assets							
Church building and other property	20	754,747	-	-	-	754,747	755,003
Investment properties		-	-	-	-	-	-
Investments	23	-	-	-	18,470	18,470	19,457
Total fixed assets		754,747	-	-	18,470	773,217	774,459
Current Assets							
Debtors and prepayments	21	16,679	-	-	-	16,679	16,997
Stock		707	-	-	-	707	531
Central Finance Board Deposits		-	129,447	5,681	-	135,128	257,194
Cash at Bank and in hand		21,761	2,674	911	-	25,346	16,758
Total current assets		39,146	132,121	6,593	-	177,860	291,480
Current liabilities							
Creditors (under 1 yr)	22	4,840	-	-	-	4,840	23,373
Total current liabilities		4,840	-	-	-	4,840	23,373
Net current assets/liabilities		34,306	132,121	6,593	-	173,019	268,107
Total assets less current liabilities		789,052	132,121	6,593	18,470	946,236	1,042,566
Long term liabilities (due after more than one year)	22	522	-	-	-	522	571
Net assets		788,531	132,121	6,593	18,470	945,714	1,041,996
Funds of the Church							
General Fund (Unrestricted)		788,531				788,531	788,107
Designated Funds (Unrestricted)			132,121			132,121	169,170
Total Unrestricted Funds						920,651	957,277
Restricted Funds				6,593		6,593	65,262
Endowment Funds					18,470	18,470	19,457
Total Funds		788,531	132,121	6,593	18,470	945,714	1,041,996

The Financial Statements were approved by the Managing Trustees and authorised for issue on 24th March 2023 and are signed on behalf of the Managing Trustees by



Revd J Neil Stacey
Date: 24th March 2023

WESLEY METHODIST CHURCH, CHESTER

Cash flow statement for the year ended 31 August 2022

Statement of cash flows

2022
£

Cash from operating activities

Net cash used in operating activities, as below

- 113,301

Cash flows from investing activities

Dividends, interest and rents from investments

500

Purchase of property, plant and equipment

- 678

Acquisition/disposal of Investments

-

Net cash provided by investing activities

- 178

Cash flows from financing activities

Transfer between funds

-

Net cash used in financing activities

-

Change in cash and cash equivalents in the reporting period

- 113,479

Cash and cash equivalents at 1 September 2020

273,953

Cash and cash equivalents at 31 August 2021

160,474

Reconciliation of net income to net cash flow from operating activities

Net income for the reporting period (per SOFA)

- 96,281

Adjustments for:

Depreciation and amortisation charges

934

Dividends, interest and rents from investments

- 500

Gains/(losses) on investments

986

Decrease/(increase) in stocks

- 176

(Increase)/decrease in debtors

318

Increase/(decrease) in creditors

- 18,533

Increase/(decrease) in long term liabilities

- 49

Net cash used in operating activities

- 113,301

Analysis of cash and cash equivalent

Cash in hand and bank balances

25,346

Short term deposit (less than 3 months)

135,128

Total cash and cash equivalents

160,474

-

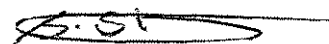
WESLEY METHODIST CHURCH, CHESTER

DECLARATIONS

Treasurer

I confirm that I have prepared the accounts from the records of the Church and that they include all funds under the control of the Managing Trustees of Wesley Methodist Church, Chester.

Signature of Treasurer



Name

S Stacey

Address

35 Vincent Drive, Westminster Park,
Chester, CH4 7RQ

Presentation to the Managing Trustees at a Church Council Meeting for Approval

I confirm that the Accounts were presented to the Managing Trustees at a Church Council Meeting and were approved on 24th March 2023:

Signature of Chair of meeting



Name

Revd J N Stacey

Date

24th March 2023

TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

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

STATEMENT OF DISCLOSURE TO THE INDEPENDENT EXAMINER

- a) So far as the Trustees are aware, there is no relevant information of which the independent examiner is unaware and;
- b) The Trustees have taken all the steps that ought to have been taken as trustees in order to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

Wesley Methodist Church
St John Street
Chester, CH1 1 DA

S Stacey
Treasurer
Date: 24th March 2023



CHARITY COMMISSION
FOR ENGLAND AND WALES

WESLEY METHODIST CHURCH, CHESTER

Independent examiner's report on the accounts

Section A

Independent Examiner's Report

Report to the trustees/
members of

Wesley Methodist Church

On accounts for the year
ended

31st August 2022

Charity no
(if any)

1138016

Set out on pages

1 to 26

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/8/2022.

Responsibilities and
basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent
examiner's statement

I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: Christopher Jones

Date: 27 March 2023

Name: Christopher Jones

Relevant professional
qualification

FCCA

Address: Integrity Partnership

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

WESLEY METHODIST CHURCH, CHESTER

NOTES TO THE ACCOUNTS: YEAR ENDED 31 AUGUST 2022

1. Basis of accounting and accounting policies

1.1 Accounting standard

The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS102))* 2015.

1.2 Basis

Wesley Methodist Church, Chester is a church within the Methodist Connexion in Great Britain and these accounts are prepared in accordance with the constitution, practice and discipline of that Church. The financial statements have been prepared under the Charities Act 2011 in accordance with the *Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS102))*. The accounts relate to the Church and its various organisations and its wholly owned subsidiary and related company.

Its related company is Wesley Coffee Bar, a company limited by guarantee, which operates a café on the Wesley Methodist Church premises. Its directors are appointed by Wesley Methodist Church Council and ultimate control lies with the Managing Trustees of Wesley Methodist Church.

These accounts have been prepared on the basis of historical cost except that fixed assets are shown at valuation or cost of acquisition less accumulated depreciation and investments are shown at their market value at the end of the year. The accruals basis has been used and the Trustees present accounts that show a true and fair view of the Church's financial position and activities. The accounts have been prepared on a going concern basis.

1.3 Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in Pound Sterling, rounded to the nearest pound. Rounding differences should be ignored. Where the content of this year's accounts is different from that of the previous year, the comparative year's numbers have been adjusted and restated to be in the same format and on the same basis.

1.4 Going concern

To the best of their knowledge and belief the trustees confirm that there are no material uncertainties that would call into question the Church's financial viability for at least 12 months from the date of approval of these accounts.

1.5 Consolidation

These accounts are the consolidated accounts of Wesley Methodist Church, Chester and Wesley Coffee Bar. Where cross-charging has taken place, these have been eliminated upon consolidation.

1.6 Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will be forthcoming.

1.7 Expenditure

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 there is a legal or constructive obligation committing the Circuit to pay out resources.

1.8 Capital Commitments

On 31st August 2022 there were no outstanding commitments.

WESLEY METHODIST CHURCH, CHESTER

1.9 Tangible fixed assets

The Trustees for Methodist Church Purposes are custodian trustee for the church land and premises, which is a Model Trust property, and they hold the freehold title.

The Trustees of Wesley Methodist Church, Chester policy is to value the freehold property on the basis of a market valuation, prepared by an independent chartered surveyor and to base value the organ on the lower of its historic purchase cost or net realisable value. A market valuation was undertaken by Savills which valued the freehold property at £750,000. The value of the organ was re-stated in 2017/18 to a historic purchase cost as this also equated to its net realisable value. Fixtures, Fittings and Equipment individually costing more than £5,000 are now capitalised and written off on a straight-line basis over the useful life of the asset. The useful lives will depend on the nature of the asset acquired. The consolidated financial statements reflect the assets owned by Wesley Coffee Bar. The depreciation policy is shown within the separate accounts for Wesley Coffee Bar.

1.10 Investments

The investments are in monetary assets and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 19 below.

1.11 Basic Financial Instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

1.12 Debtors and Prepayments, Creditors and Bank and Cash

Debtors and Prepayments are stated at the amounts owed to or prepaid by the Church and Wesley Coffee Bar. Similarly, Creditors are amounts owed by the Church and Wesley Coffee Bar and are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

1.13 Funds

Wesley Methodist Church, Chester has a number of funds; General Fund (unrestricted), Designated Funds (unrestricted), Designated Funds (restricted) and Endowment Funds (restricted). Wesley Coffee Bar is included in the General Fund, in these consolidated accounts. Any surpluses on the General Fund are usually transferred to the Designated Funds (unrestricted), which have been established to provide for the long-term maintenance of the building and organ.

1.14 Tax

Being a charity Wesley Methodist Church does not pay corporation tax. It does claim Gift Aid on donations. Wesley Coffee Bar does pay corporation tax on any profits.

2. Independent Examination

Accruals have been made for the fee for the independent examination in the sum of £1,800 (2021: £1,800) for the year, to include reviewing the statutory accounts of Wesley Coffee Bar.

WESLEY METHODIST CHURCH, CHESTER

3. Glossary of Terms

CFB:	The Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities
Church:	Wesley Methodist Church, Chester
Circuit:	The North Cheshire Methodist Circuit
HMRC:	Her Majesty's Revenue and Customs
LPWGS:	Listed Places of Worship Grant Scheme
SOFA:	Statement of Financial Activities
CJRS:	Coronavirus Job Retention Scheme
SORP:	Statement of Recommended Practice
TMCP:	Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds
WMC:	Wesley Methodist Church, Chester
WCB:	Wesley Coffee Bar

WESLEY METHODIST CHURCH, CHESTER

4 Income Relating to the Church

	General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£	£
Collections (including gift aid)	102,232	-	-		102,232	107,536
Donations	3,293	-	20,125		23,418	5,046
Grants	5,018	-	21,675		26,693	5,992
Regenerate Project			583		583	2,296
Other	4,949	-			4,949	6,210
Total	115,492	-	42,383	-	157,875	127,080

The General Fund grants include £39 in grants from the Coronavirus Job Retention Scheme and £4,979 from Cheshire West and Chester Council. The Designated Funds income of £20,125 and £21,675 relate to the Organ Restoration project undertaken in 2022. The grant of £21,675 was from the Department for Digital, Culture, Media and Sport.

5 Fundraising Income

	General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£	£
Concerts	22,057				22,057	6,118
Other	159				159	2,466
Total	22,216	-	-	-	22,216	8,584

6 Interest & Investment income

	General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£	£
Bank interest	705				705	267
Investment Income	447		54		500	468
Total	1,152	-	54	-	1,206	734

Cash surplus to immediate requirements is deposited with the Central Finance Board of the Methodist Church. Investments are managed by the Methodist Trustees for Church Purposes.

7 Income supporting the Mission of the Church

	General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£	£
Benevolent activities			1,692		1,692	971
Work with the disadvantaged		1,030	1,494		2,524	123
Work with Children	2,127				2,127	-
Church Fellowships	177				177	-
Total	2,304	1,030	3,186	-	6,520	1,094

WESLEY METHODIST CHURCH, CHESTER

8 Other Charitable Income

Donations

General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
£ 3,780	£	£	£	£ 3,780	£ 5
3,780	-	-	-	3,780	5

9 Other Income

Lettings

Wayleaves and licences

Other

General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
£ 31,250	£	£	£	£ 31,250	£ 10,903
5,668				5,668	5,668
70				70	
36,988	-	-	-	36,988	16,571

10 Trading Income

Wesley Coffee Bar

Total

General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
£ 52,258	£	£	£	£ 52,258	£ 24,915
52,258	-	-	-	52,258	24,915

Wesley Coffee Bar is company limited by guarantee which operates a Café on the Wesley Methodist Church premises. Its directors are members of the Methodist Church and ultimate control lies with the Managing Trustees of Wesley Methodist Church. The income represents the sales of Wesley Coffee Bar. The income also includes £122 in grants from the Coronavirus Job Retention Scheme.

WESLEY METHODIST CHURCH, CHESTER

11 Expenditure relating to the Church

	General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£	£
Assessment to the Methodist Church	65,756				65,756	65,756
Utilities	12,179				12,179	5,265
Cleaning	9,244				9,244	5,667
Insurance	5,179				5,179	4,989
Maintenance	14,200				14,200	13,509
Methodist Church Pension Contribution		35,000			35,000	
Office	10,669				10,669	10,043
Organ Restoration		58,019	73,648		131,667	
Project Regenerate					-	20
Reopening Expenses/Church Centre	6,262				6,262	6,592
Other	11,978				11,978	5,862
Total	135,467	93,019	73,648	-	302,134	117,703

The Reopening Expenses were costs incurred in providing a safe environment for visitors following the reopening of the premises when permitted under the COVID-19 regulations. Since re-opening a welcomer/church centre manager has been employed. In 2022 the restoration of Wesley's nearly 100 years old historic and valuable organ was undertaken. It is a significant asset for both worship and for concerts and recitals.

12 Fundraising Expenditure

	General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£	£
Concerts	6,596				6,596	2,844
Other						825
Total	6,596	-	-	-	6,596	3,669

13 Expenditure on the Mission of the Church

	General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£	£
Mission Development					-	
Benevolent activities			388		388	3,048
Work with the disadvantaged	608	500	256		1,364	804
Work with Children	4,439				4,439	
Church Fellowships					-	50
Other					-	
Total	5,048	500	644	-	6,192	3,902

14 Other Charitable Expenditure

	General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£	£
Donations to Charities	3,780				3,780	5
Donations to the Methodist Church	3,740				3,740	3,646
Total	7,520	-	-	-	7,520	3,651

WESLEY METHODIST CHURCH, CHESTER

15 Trading Expenditure

Wesley Coffee Bar

General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
£ 51,834	£	£	£	£ 51,834	£ 35,992
51,834	-	-	-	51,834	35,992

The expenditure represents the total supply, wages and administration costs of Wesley Coffee Bar.

16 Transfer Between Funds

To Designated Funds (unrestricted)
To Designated Funds (restricted)
From General Fund (unrestricted)
From Designated Funds (restricted)
To General Fund (unrestricted)

General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
£	£	£		£	£
	55,439			55,439	12,752
				-	1,110
- 25,439				- 25,439	- 108,628
		30,000		- 30,000	
				-	94,767
- 25,439	55,439	- 30,000	-	-	-

17 Payment to Trustees

Payments made to trustees for additional services provided to the Church by agreement with the Church Council Meeting

Number of trustees who were paid expenses

Total amount paid

2022 2021

2 0

£ £
1,210 -

None of the trustees is an employee of the Church. The payments are to two trustees in respect of an honorarium and fees for playing the organ. No payments were made to any Trustee in the year ending 31st August 2021.

18 Fees for examination or audit of the accounts

Independent examiner's or auditors' fees for reporting on the accounts

Adjustment to 2020 Independent examiner's or auditors' fees for reporting on the accounts

Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor

2022 2021
£ £
1,440 1,800
516
Nil Nil

19 Paid employees

Staff Costs paid during the year were:

Gross wages, salaries and benefits in kind

Employer's National Insurance costs

Pension costs

Total staff costs

2022 2021
£ £
58,123 44,622
0 0
2,621 1,365
60,743 45,987

Average number of staff employed during the year were:

6 4

There were no employees earning above £60,000 per year and no key management personnel received any benefits for their services to the charity.

WESLEY METHODIST CHURCH, CHESTER

20 Tangible Fixed Assets

Cost or valuation

	Church (non investment) land and buildings	Other non investment land and buildings	Investment properties (land and buildings)	Other fixed assets	Fixtures, fittings and equipment	Total 2022
	£	£	£	£	£	£
Balance brought forward	750,000			2,000	37,130	789,130
Additions					678	678
Revaluation						-
Disposals						-
Transfers						-
Balance carried forward	750,000	-	-	2,000	37,808	789,808
Accumulated depreciation						
Balance brought forward					34,127	34,127
Depreciation charge for year					934	934
Revaluations						-
Disposals						-
Transfers						-
Balance carried forward	-	-	-	-	35,061	35,061
Net book value						
Brought forward	750,000	-	-	2,000	3,003	755,003
Carried forward	750,000	-	-	2,000	2,747	754,747

The valuation of land and buildings is based on an external valuation based on the market value. The organ is valued on its net book value, calculated on the original cost adjusted for material expenditure on the organ.

21 Debtors and Prepayments

	General Fund (Unrestricted)	Designated Funds (unrestricted)	Designated Funds (restricted)	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£	£
Wesley Methodist Church					-	
Circuit assessment prepayment	16,328				16,328	16,439
Wesley Coffee Bar						
Trade Debtors					-	215
Prepayments	351				351	343
	16,679	-	-	-	16,679	16,997

The Wesley Methodist Church Circuit Assessment is paid quarterly in advance

WESLEY METHODIST CHURCH, CHESTER

22 Creditors

Creditors (under 1 yr)

Wesley Methodist Church

Audit fees

North Cheshire Circuit

Other

Wesley Coffee Bar

Trade Creditors

Audit fees

General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
£	£	£	£	£	£
1,440				1,440	3,696
				-	16,440
30				30	
3,010				3,010	2,877
360				360	360
4,840	-	-	-	4,840	23,373

Long term liabilities (due after more than one year)

Wesley Coffee Bar

Deferred Tax

General Fund Unrestricted	Designated Funds Unrestricted	Designated Funds Restricted	Endowment Funds	Total 2022	Total 2021
£	£	£	£	£	£
522				522	571
522	-	-	-	522	571

23 Investments

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

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property.

Analysis of investment movements

Change in investment values

Market value at beginning of year

Interest earned

Interest paid

TMCP costs

Gains/(losses) on investments

Market value at end of year

COIF Charities Investment Fund	TMCP Fund 11226A	TMCP Fund 11226B	TMCP Fund 11480	Total 2022	Total 2021
£	£	£	£	£	£
15,857	1,671	835	1,093	19,457	17,035
445	41	20	5	510	474
- 445	- 36	- 18	- 1	- 499	- 468
-	- 5	- 2	- 3	- 10	- 6
- 830	- 105	- 52	-	- 987	- 2,421
15,027	1,566	783	1,094	18,470	19,457

WESLEY METHODIST CHURCH, CHESTER

24. Central Finance Board (CFB) and Cash at Bank

The Church has current accounts at Lloyds Bank plc and the Co-operative Bank p.l.c., authorised institutions. The sums held on those accounts are immediately available. In addition, the Church has deposit accounts at CFB, a common deposit fund. Interest is earned on these accounts and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. The Church has no other financial instruments. These sums are viewed as being liquid and are shown as Current assets on the Balance Sheet.

24.1 Designated Funds (unrestricted) – balance £132,120 on 31 August 2022 (2021: £169,170)

These funds are to serve specific purposes but are not restricted by any document or deed to that purpose alone. These funds comprise:

- Contingency Fund: balance £118,606 (2021: £103,827) is available to meet long-term maintenance of the Church premises. In 2017 and 2018, £30,000 was transferred to the Regenerate! Project to bridge the difference between expenditure and income. This was repaid in 2022.
- Designated Supplementary Music Fund: balance £6,132 (2021: £64,151). The next major overhaul of the Church organ was undertaken in 2022.
- Wesley Mission Fund: balance £2,382 (2021: £1,192) to resource and support Wesley's Chester City Centre mission initiatives as agreed by Wesley's Trustees.
- Stewardship Fund: balance £5,000. This fund was created in 2022 to support Wesley's outreach.

24.2 Restricted Fund - balance £6,593 on 31 August 2022 (2021: £65,262)

These funds are to serve specific purposes and are restricted by a document, deed or resolution of the Managing Trustees of Wesley Methodist Church, Chester to that purpose alone. These funds comprise:

- Regenerate! Fund: balance £3,761 (2021: £33,178) was established to hold the monies raised to undertake the Regenerate! Project. The project is complete. The bridging loan of £30,000 from the Contingency Fund was repaid in 2022.
- Restricted Music Fund: balance £0 (2021: £31,848). The major overhaul of the Church organ was undertaken in 2022..
- Benevolent Funds: balance £1,594 (2021: £236) provides support for those in need.
- Ukrainian Meet Ups Fund: £1,238. This fund was created in 2022 to support the work of Wesley in supporting refugees from Ukraine.

24 Related Party Transactions

	Description	Total 2022	Total 2021
		£	£
Methodist Insurance	Insurance policy premiums	5,179	4,989
North Cheshire Methodist Circuit	Annual Assessment	65,756	65,756
Methodist City Centre Network	Donations	50	-
Action For Children	Donations	193	-
All We Can	Donations	681	-
Fund for Support of Presbyters & Deacons	Donations	-	150
Methodist International House	Donations	-	100
Fund for World Mission	Annual Stewardship grant	2,640	2,573
Mission in Britain	Annual Stewardship grant	660	644
Fund for Property	Annual Stewardship grant	440	429
Methodist Church Pension Fund	Donation	35,000	-
		110,598	74,641

WESLEY METHODIST CHURCH, CHESTER

25. Controlling Interest

As Wesley Methodist Church is part of the Methodist Connexion in Great Britain, ultimate control rests with the Methodist Connexion.

26. Volunteer contributions

Every entity (Connexion, District, Circuit, and Church) within the Methodist Church in Great Britain is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. At Wesley Methodist Church, many members contribute to its mission and activities. We are grateful to all of them for their help and commitment. No attempt has been made by this Church to value the non-monetary contributions to the Church in monetary terms.