

Walsall Independent Evangelical Church
Unaudited Financial Statements
31 December 2023

ADAMS MOORE LIMITED
Accountants & Business Advisers
7 Victoria Road
Tamworth
Staffs
B79 7HS

Walsall Independent Evangelical Church

Financial Statements

Year ended 31 December 2023

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Walsall Independent Evangelical Church

Trustees' Annual Report

Year ended 31 December 2023

The partners present their report and the unaudited financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name	Walsall Independent Evangelical Church
Charity registration number	1142391
Principal office	Bath Street Centre Bath Street Walsall WS1 3DB

The partners

Pastor M Webb	
Elder J Daniel	(Resigned 3 April 2023)
C McKane	(Appointed 3 April 2023)
W J Daniel	(Appointed 25 June 2023)
R Noake	(Appointed 3 April 2023)

Accountants

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Walsall Independent Evangelical Church

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Recruitment and appointment of new trustees

Trustees are selected by the members from the Elders of the church.

Wider network

The church is a member of the Fellowship of Independent Evangelical Churches and has a longstanding relationship with this organisation that pursues similar objectives in the UK and overseas. The church works within the fraternity of West Midlands FIEC churches assisting other churches and receives voluntary help itself where needed. During the year grants have been made to help the objectives which can best be done on a larger scale than the Walsall Independent Evangelical Church could do independently.

Risk management

The trustees have a duty to identify and review the risks to which the church is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. All major insurable risks are subject to normal churches and employers' insurance. Contractual risks are reviewed before being entered into to assess that they could not significantly impact upon the churches ability to fulfill its objectives. A review of all risk areas will be undertaken by the trustees in conjunction with staff and volunteers responsible for the area of activity. The scope of this assessment covers financial risk, insurance and health and safety. The areas that this will impact on are particularly child protection, fire safety, health and safety and tax and other legislative compliance together with the "knock on" impact on reputational risk. Risk management is aimed at ensuring the church achieves its objectives in the most effective way and that resources are directed at those objectives.

Walsall Independent Evangelical Church

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Objectives and activities

Objectives and aims

The primary aims of the trust are to fulfill the role of a Christian church in the Walsall area and to provide help to others in promoting the Christian faith in the United Kingdom and overseas. The church is not a building but a gathering of ordinary people of different ages and backgrounds whose lives have been changed by Jesus Christ, the Son of God. The New Testament reveals the church as a community of people, properly taught and cared for, who by loving and serving Jesus Christ, were also committed to love and care for each other and to bring a blessing to the area in which they lived. The Walsall Independent Evangelical Church, its trustees, elders and members are committed to the restoration of those New Testament principles. It is not alone in this, it is one of many churches in the area, country and all over the world that is re-discovering the excitement of knowing Jesus Christ. The vision is to see the people of Walsall come into this experience of knowing Jesus as their Lord, Saviour and friend.

Grantmaking

Gifts to external organisations and individuals are considered by the trustees on the basis of need and fulfillment of the charitable objectives. There are no upper or lower limits of support.

Achievements and performance

Over the course of the previous year, the trustees have sought to uphold the stated aims through regular services, seasonal and significant religious celebration including community events for the benefit of the general public. The church has continued to uphold the Christian faith in its regular services through preaching, Christian worship, prayer and fellowship. Each week the church has provided a programme of community events to benefit the elderly, children and young people in our locality. The church has also provided a program of events over Easter, Christmas and harvest, including outdoor community carol services and visits to nursing homes. The church has continued, in line with its stated aims, to use funds to support asylum seekers residing in our community. In line with the statement of beliefs, the church has held a baptism service, funeral services, weddings and services of thanksgiving to mark important life events. Community events, with suitable literature, have also been undertaken. As such, the trustees are satisfied that the charity has sought to use funds wisely and solely in support of its stated aims for the upholding and spreading of the Christian faith.

Financial review

Reserves policy

The trustees have set a policy of retaining reserves sufficient for the foreseeable needs of the church. Where there is specific capital expenditure foreseen amounts are set aside into designated funds so the free reserves (general reserves excluding amounts invested in assets for the churches use) are available to meet the costs of normal running and expansion of the church and to ensure the church can meet the commitments that have been entered into. The level of free reserves is not set as a specific formula but is anticipated to be between two and twelve months of the level of fixed expenditure over committed income. This policy is reviewed each year to determine if surplus funds have been generated and what action will be undertaken to use these to the greatest effect.

Walsall Independent Evangelical Church

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

The trustees' annual report was approved on 15 April 2024 and signed on behalf of the board of trustees by:

Pastor M Webb
Partner

Walsall Independent Evangelical Church

Statement of Financial Activities

Year ended 31 December 2023

			2023		2022
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	83,394	14,115	97,509	128,712
Charitable activities	5	5,675	–	5,675	11,787
Other trading activities	6	868	–	868	208
Investment income	7	946	–	946	115
Total income		<u>90,883</u>	<u>14,115</u>	<u>104,998</u>	<u>140,822</u>
Expenditure					
Expenditure on charitable activities	8,9	117,205	–	117,205	96,837
Total expenditure		<u>117,205</u>	<u>–</u>	<u>117,205</u>	<u>96,837</u>
Net (expenditure)/income and net movement in funds		<u>(26,322)</u>	<u>14,115</u>	<u>(12,207)</u>	<u>43,985</u>
Reconciliation of funds					
Total funds brought forward		258,710	81,625	340,335	296,350
Total funds carried forward		<u>232,388</u>	<u>95,740</u>	<u>328,128</u>	<u>340,335</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 7 to 14 form part of these financial statements.

Walsall Independent Evangelical Church

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	12	259,282	259,282
Current assets			
Debtors	13	18,320	18,236
Cash at bank and in hand		51,515	63,911
		<u>69,835</u>	<u>82,147</u>
Creditors: amounts falling due within one year	14	<u>989</u>	<u>1,094</u>
Net current assets		<u>68,846</u>	<u>81,053</u>
Total assets less current liabilities		<u>328,128</u>	<u>340,335</u>
Net assets		<u>328,128</u>	<u>340,335</u>
Funds of the charity			
Restricted funds		95,740	81,625
Unrestricted funds		<u>232,388</u>	<u>258,710</u>
Total charity funds	15	<u>328,128</u>	<u>340,335</u>

These financial statements were approved by the board of trustees and authorised for issue on 15 April 2024, and are signed on behalf of the board by:

Pastor M Webb
Partner

The notes on pages 7 to 14 form part of these financial statements.

Walsall Independent Evangelical Church

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Bath Street Centre, Bath Street, Walsall, West Midlands, WS1 3DB.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of (enter name of group financial statements) which can be obtained from (enter detail). As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: No cash flow statement has been presented for the company.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Walsall Independent Evangelical Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the partners for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Walsall Independent Evangelical Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor vehicles	- 25% reducing balance
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Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Walsall Independent Evangelical Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

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 under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Walsall Independent Evangelical Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	<u>83,394</u>	<u>14,115</u>	<u>97,509</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	<u>104,809</u>	<u>23,903</u>	<u>128,712</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Charitable Activities	<u>5,675</u>	<u>5,675</u>	<u>11,787</u>	<u>11,787</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other income	<u>868</u>	<u>868</u>	<u>208</u>	<u>208</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank Interest	<u>946</u>	<u>946</u>	<u>115</u>	<u>115</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Charitable activities	115,842	115,842	95,402	95,402
Support costs	<u>1,363</u>	<u>1,363</u>	<u>1,435</u>	<u>1,435</u>
	<u>117,205</u>	<u>117,205</u>	<u>96,837</u>	<u>96,837</u>

Walsall Independent Evangelical Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023	Total fund 2022
	£	£	£	£
Charitable activities	115,842	–	115,842	95,402
Governance costs	–	1,363	1,363	1,435
	<u>115,842</u>	<u>1,363</u>	<u>117,205</u>	<u>96,837</u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	<u>52,524</u>	<u>48,951</u>

The average head count of employees during the year was 3 (2022: 3).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

11. Trustee remuneration and expenses

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

12. Tangible fixed assets

	Freehold property £	Motor vehicles £	Total £
Cost			
At 1 January 2023 and 31 December 2023	<u>259,282</u>	<u>5,252</u>	<u>264,534</u>
Depreciation			
At 1 January 2023 and 31 December 2023	<u>–</u>	<u>5,252</u>	<u>5,252</u>
Carrying amount			
At 31 December 2023	<u>259,282</u>	<u>–</u>	<u>259,282</u>
At 31 December 2022	<u>259,282</u>	<u>–</u>	<u>259,282</u>

13. Debtors

	2023	2022
	£	£
Trade debtors	1,037	953
Other debtors	<u>17,283</u>	<u>17,283</u>
	<u>18,320</u>	<u>18,236</u>

Walsall Independent Evangelical Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

14. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	1,654	1,223
Accruals and deferred income	690	645
Social security and other taxes	—	581
Other creditors	(1,355)	(1,355)
	<u>989</u>	<u>1,094</u>

15. Analysis of charitable funds

Unrestricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
General funds	<u>258,710</u>	<u>90,883</u>	<u>(117,205)</u>	<u>232,388</u>

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
General funds	<u>238,628</u>	<u>116,919</u>	<u>(96,837)</u>	<u>258,710</u>

Restricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
Restricted Fund 1 - Restricted funds	<u>81,625</u>	<u>14,115</u>	<u>—</u>	<u>95,740</u>

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
Restricted Fund 1 - Restricted funds	<u>57,722</u>	<u>23,903</u>	<u>—</u>	<u>81,625</u>

Walsall Independent Evangelical Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

16. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	259,282	–	259,282
Current assets	–	69,835	69,835
Creditors less than 1 year	–	(989)	(989)
Net assets	<u>259,282</u>	<u>68,846</u>	<u>328,128</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	259,282	–	259,282
Current assets	500	81,647	82,147
Creditors less than 1 year	(1,072)	(22)	(1,094)
Net assets	<u>258,710</u>	<u>81,625</u>	<u>340,335</u>

Walsall Independent Evangelical Church

Management Information

Year ended 31 December 2023

The following pages do not form part of the financial statements.

Walsall Independent Evangelical Church

Detailed Statement of Financial Activities

Year ended 31 December 2023

	2023 £	2022 £
Income and endowments		
Donations and legacies		
Donations	97,509	128,712
Charitable activities		
Charitable Activities	5,675	11,787
Other trading activities		
Other income	868	208
Investment income		
Bank Interest	946	115
Total income	<u>104,998</u>	<u>140,822</u>
Expenditure		
Expenditure on charitable activities		
Purchases	5,803	7,688
Wages and salaries	52,524	48,951
Other establishment	31,336	17,842
Legal and professional fees	1,363	1,435
Other office costs	1,026	1,169
DetailedSOFAExpenditureOnCharitableActivitiesType2H	60	82
DetailedSOFAExpenditureOnCharitableActivitiesType3H	16,936	13,460
DetailedSOFAExpenditureOnCharitableActivitiesType4H	1,099	1,120
DetailedSOFAExpenditureOnCharitableActivitiesType5H	7,058	5,090
	<u>117,205</u>	<u>96,837</u>
Total expenditure	<u>117,205</u>	<u>96,837</u>
Net (expenditure)/income	<u>(12,207)</u>	<u>43,985</u>

Walsall Independent Evangelical Church

Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2023

	2023 £	2022 £
Expenditure on charitable activities		
Charitable activities		
<i>Activities undertaken directly</i>		
Purchases	5,803	7,688
Wages/salaries	52,524	48,951
Property	31,336	17,842
Other office costs	1,026	1,169
Bank Charges	60	82
Evangelism	16,936	13,460
Service activities	1,099	1,120
Almshouses	7,058	5,090
	<u>115,842</u>	<u>95,402</u>
Governance costs		
Governance costs - accountancy fees	687	645
Governance costs - legal and other professional fees	676	790
	<u>1,363</u>	<u>1,435</u>
	<u>117,205</u>	<u>96,837</u>
Expenditure on charitable activities	<u>117,205</u>	<u>96,837</u>
