

Charity No. : 1152176

**Church Lane Evangelical Church
(Charitable Incorporated Organisation)**

Financial Statements

**For the year ended
31st December 2020**

Church Lane Evangelical Church
Index to the Financial Statements
for the Year Ended 31st December 2020

	<u>Page</u>
Report of the Trustees	1
Report of the Independent Examiner	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7-15

Church Lane Evangelical Church
Report of the Trustees
for the year ended 31 December 2020

REFERENCE AND ADMINISTRATIVE DETAILS

The church's charitable status is that of a Charitable Incorporated Organisation (CIO) No. 1152176.

The Trustees present their report with the financial statements of the charity for the year ended 31 December 2019.

The financial statements comply with the Charities Act 2011, the charity's governing document, and Accounting and Reporting by Charities: 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) (effective 1 January 2016).

Charity Address:

Church Lane
Stafford
Staffordshire
ST16 2AW

Bankers:

Lloyds Bank	Stafford Railway Building Society
5 Market Square	4 Market Square
Stafford	Stafford
ST16 2JL	ST16 2JH

Solicitors:

Hand Morgan Owen
17 Martin Street
Stafford
ST16 2LF

Trustees:

A Medway Chair
A Cook
S Kapfunde

Elders (Managing Trustees) who served during the year:

A Cook	Chair
A Medway	Church Secretary
S Harrison	Pastor
S Kapfunde	
J Morris	
A Summers	
J Wickens	

The property in Church Lane is held by the CIO.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable status of the Church is that of a Charitable Incorporated Organisation (CIO). This is governed in accordance with its constitution dated 24 May 2013 using the foundation model.

The trustees of the CIO have delegated the day to day running of the organisation to the Elders, who meet on a monthly basis. The current Elders include some of the trustees.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide assurance against fraud and error.

**Church Lane Evangelical Church
Report of the Trustees (continued)
for the year ended 31 December 2020**

OBJECTIVES AND ACTIVITIES

The objects of the church, in accordance with Biblical principles and practice, and as the Trustees see fit, are to advance evangelical Christianity in a manner consistent with the Christian Scriptures. These objects may be pursued anywhere in the United Kingdom or the world at the discretion of the Trustees.

These objects are achieved by providing religious activities and by helping to relieve poverty and need. While these activities are for everyone, the church looks to support the most vulnerable in our community and focuses some activities on children and young people, and on older people. The Church also looks to support other Christian organisations which make specific contributions in advancing evangelical Christianity.

The church provides services of open public worship and seeks to use its buildings in ways which benefit the community at large. The trustees consider that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

ACHIEVEMENTS AND PERFORMANCE

2020 has been a year like no other - for everyone.

Church life continued, at the start of the year, in much the same way as before. In January we celebrated two baptisms. For the year ahead in 2020 we were planning to revisit all church activities and liaise with leaders and members to work out plans for the year. We were also planning a major refurbishment project for a large part of the building. In March, the Church Newsletter was refreshed to give a monthly colour sheet and weekly updates.

The church started the year employing a full-time pastor, 2 part-time administrators and a part-time cleaner. Our cleaner did not continue once we closed the building in March due to lockdown and, in August, Alan Harrison retired from his administrator role.

From the end of March 2020, the closure of the building led us to use Zoom a cloud-based video conferencing service to have an online Sunday morning service. It did not take long to establish 63 regular connections to that service and as this included a number of families, we number about 120 adults and children each Sunday morning.

The church website, www.church-lane.org.uk, was changed to explain the closure of activity and to put people in contact with the church. Our Privacy Notice and Safeguarding Policy are published on the website. Recordings of church service talks were uploaded on to a church YouTube channel, linked from the webpage.

We needed then to consider what other activity could continue on Zoom. With no-one being able to attend anything in person, but with an important need to keep people connected and not isolated, two Open Chat sessions, and weekly and monthly prayer and worship meetings were set up. A Resonate young people's session was then put in place for Friday evenings.

Throughout the periods of lockdown, we have provided pastoral support through keeping in contact and providing meals for individuals shielding. The pastor regularly kept in contact with the most vulnerable.

In August we received Listed Building consent to proceed with refurbishment works in the hall and surrounding rooms. Elite were appointed as the contractor. Works got underway, but after a couple of months, the contractors reported that the scope of work would have to change, as they had discovered the hall floor was rotten. A tremendous response from the church membership raised sufficient funds to allow us to continue with this phase of the work, including replacing the floor.

Church Lane provided a proportion of its funds from weekly collections for Christian organisations and individual missionary workers – including Tear Fund, Arab World Ministries, Mercy Ships and The Bible Society.

The Church also supports inter-church initiatives in the town - Love Stafford, YouthNet, House of Bread and Stafford Street Pastors.

The Trustees are very grateful for the work of the other Elders and the church members, who all serve and give of their time and resources to support one another and be a Christian witness in their communities.

**Church Lane Evangelical Church
Report of the Trustees (continued)
for the year ended 31 December 2020**

The Trustees are Alan Medway (Chair), Andrew Cook, and Shingi Kapfunde.

FINANCIAL REVIEW

The general fund income and expenditure have been evenly matched over the course of this year. Lower running costs associated with the building being empty for Covid reasons has reduced some normal expenditure, however the cost of providing online services and activities on Zoom has increased other expenditure.

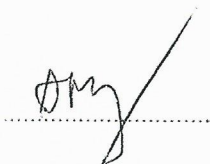
It is the church's policy to tithe our general fund income at the end of the year towards missionary projects chosen and prayed about during the year. A total of £6,100 was sent.

The church's policy on holding financial reserves is to enable a sound financial base for future years. As all the income is voluntary, there is no certainty of income levels from year to year. Included within the current reserves are designated funds for both a salary reserve of £8,500 (in order to ensure salaries could be paid for at least 3 months), and a strategic reserve of £15,000. These amounts are reviewed from time to time.

The building refurbishment project was split into 3 phases to enable us to commit to work that was financially achievable. The first phase was the hall and toilet refurbishment and that was anticipated to cost in the region of £92K. Whilst we have had existing reserves for Phase 1, donations were encouraged to enable us to move onto Phase 2 (kitchen refurbishment) and Phase 3 (improvement of access) when funds allowed. As work progressed in the hall it was found to be necessary to replace the floor. Donations already received to date enabled us to be able to do this, but meant that Phase 2 & 3 would be put on hold until such time as funds allowed. An application to the Listed Places of Worship Grant Scheme has enabled us to recover VAT paid on most of the refurbishment work to date, and a further application will be made in due course as the project progresses.

It is the church's policy to invest the funds in a bank account up to the Financial Services Compensation Scheme current limit of £85,000 in any one institution. Due to our building refurbishment project we closed our account with the Stafford Railway Building Society in November and transferred the funds into our Lloyds deposit account in readiness for further bills. At the year end the balances in our Lloyds accounts were above the £85,000 compensation limit at £101,465, however our cashflow projection was that we would fall below this limit within 6 weeks of our year end, and the ease of which we had access to our funds made the risk acceptable.

Signed on behalf of the Trustees

A handwritten signature in black ink, appearing to be 'A Medway', written over a horizontal dotted line.

A Medway - Chair

Date 30/03/21

Independent Examiner's Report to the Members of Church Lane Evangelical Church

I report on the accounts of the church for the year ended 31 December 2020, which are set out on pages 5 to 15.

Respective responsibilities of trustees and examiner

The church's trustees, are responsible for the preparation of the accounts. The church's trustees consider that an audit is not required for this year (under s144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- * examine the accounts under s145 of the 2011 Act,
- * to follow the procedures laid down in the General Directions given by the Charity Commission (under s145(5)(b) of the 2011 Act), and
- * to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

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

- * to keep accounting records in accordance with s130 of the 2011 Act, and
- * to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met, or

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



Mr T Herriott ACA BA
Tim Herriott Enterprises
15 Briarsleigh
Stafford
Staffordshire
ST17 4QP

Date: 24/4/21

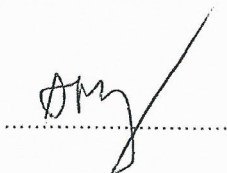
Church Lane Evangelical Church
Statement of Financial Activities
for the Year Ended 31st December 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income from:					
Donations and legacies		61,007	44,245	105,252	58,439
Charitable activities		2,194	-	2,194	8,292
Investments		204	-	204	210
Total Income	2	63,405	44,245	107,650	66,941
Expenditure on:					
Charitable Activities		61,767	68,946	130,713	71,393
Other		1,034	-	1,034	920
Total Expenditure	3	62,802	68,946	131,748	72,313
Net Incoming Resources		603	(24,701)	(24,098)	(5,371)
Fund Balances brought forward at 1st January 2020		1,108,621	5,103	1,113,724	1,119,095
Transfers between Funds		(19,598)	19,598	-	-
Fund Balances carried forward at 31st December 2020	8&9	1,089,626	-	1,089,626	1,113,724

Church Lane Evangelical Church
Balance Sheet
as at 31st December 2020

		<u>2020</u>		<u>2019</u>	
		£	£	£	£
	<u>Note</u>				
Fixed Assets					
Tangible Fixed Assets	4		995,992		996,409
Current Assets					
Debtors	5	16,264		2,945	
Cash at bank and in hand	6	<u>101,498</u>		<u>125,034</u>	
		<u>117,762</u>		<u>127,980</u>	
Creditors Due Within One Year	7	<u>24,128</u>		<u>10,665</u>	
Net Current Assets			93,634		117,315
	10		<u>1,089,626</u>		<u>1,113,724</u>
Accumulated Funds					
Unrestricted Funds	8		1,089,626		1,108,621
Restricted Funds	9		-		5,103
Balance at 31st December 2020			<u>1,089,626</u>		<u>1,113,724</u>

The Financial statements were approved by the Trustees on 30/03/21 and were signed on its behalf by



A Medway - Chair

Church Lane Evangelical Church
Notes to the Financial Statements
for the Year Ended 31st December 2020

1. Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) (effective 1 January 2016) - (Charities SORP (FRS 102)), Financial Reporting Standard 102 (FRS 102) and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared on a going concern basis. The Trustees are of the opinion that Church is able to meet its liabilities as they fall due and that the going concern basis is appropriate.

The accounts have been prepared under the historical cost convention as modified to include the freehold Grade II listed and adjacent buildings at a valuation.

Change in basis

There have been no changes to the accounting policies during the year.

Property

The property in Church Lane is held by the CIO.

Depreciation

Depreciation has been charged on a straight line basis as follows:

- Furniture & Fixtures - 10%
- Computer & PA Equipment - 25%

Depreciation has not been charged on freehold property as any depreciation is considered immaterial.

Expenditure under £5,000 is not normally capitalised.

Church Lane Evangelical Church
Notes to the Financial Statements (continued)
for the Year Ended 31st December 2020

Fund Accounting

Funds held by the Church are either:

- Unrestricted Funds -** funds which can be used in accordance with the Church's objects at the discretion of the Elders.
- Designated Funds -** funds set aside out of general funds for specific purposes.
- Restricted Funds -** funds that can only be used for particular purposes within the objects of the church. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

Income

All income is recognised once the church has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

Expenditure on charitable activities includes the costs of ministry, training, church activities, mission, administration, and property.

Other expenditure represents those items not classified as relating to charitable activities.

Inter-Church Group Consolidation

Where one church group donates to another, the income and expenditure is eliminated from each balance and is classed as a transfer to the other. (See notes 8 and 9).

Taxation

The church is exempt from tax on its charitable activities.

Pension costs

The church operates a defined contribution pension scheme. Since October 2016 we have had to also comply with the Auto Enrolment regulations set out by The Pensions Regulator. Contributions paid are charged to the Statement of Financial Activities in the period to which they relate.

Church Lane Evangelical Church
Notes to the Financial Statements (continued)
for the Year Ended 31st December 2020

2. Income from:	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£
<u>Donations and legacies</u>				
- Gift Aided Collections	39,583	-	39,583	34,431
- Non-Gift Aided Collections	8,899	-	8,899	10,862
- Donations	-	36,720	36,720	2,450
- Gift Aid Tax refunds	11,525	7,525	19,050	10,605
- Christmas Card Income	-	-	-	91
- Legacies	1,000	-	1,000	-
	<u>61,007</u>	<u>44,245</u>	<u>105,252</u>	<u>58,439</u>
<u>Charitable activities</u>				
- Donations for use of hall	230	-	230	611
- Soul Survivor	240	-	240	2,146
- Day/Morning for Retired	413	-	413	2,487
- Youth Work	21	-	21	114
- Acorns	801	-	801	2,905
- Miscellaneous	489	-	489	30
	<u>2,194</u>	<u>-</u>	<u>2,194</u>	<u>8,292</u>
<u>Investments</u>				
- Gross Interest Received	204	-	204	210
Total Income	<u><u>63,405</u></u>	<u><u>44,245</u></u>	<u><u>107,650</u></u>	<u><u>66,941</u></u>

Church Lane Evangelical Church
Notes to the Financial Statements (continued)
for the Year Ended 31st December 2020

3. Expenditure on:	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<u>Charitable Activities</u>				
Ministry				
- Gross Salary	32,480	-	32,480	22,756
- National Insurance	110	-	110	-
- Pension	788	-	788	544
- Ministerial Allowances	134	-	134	5,437
- Travel	90	-	90	252
- Telephone	263	-	263	233
Other Ministry/Training				
- Visiting Speakers	135	-	135	650
- Training & Resources	878	-	878	184
- Going for God & Creche	-	-	-	124
- Resonate & Rocknite	462	-	462	459
- Soul Survivor	801	-	801	4,278
Church Activities				
- Communion Expenses	45	-	45	235
- Day/Morning for Retired	363	-	363	2,262
- Youth Work	7	-	7	113
- Acorns	607	-	607	2,276
Administration				
- Gross Salary	7,103	-	7,103	7,779
- Photocopying & Printing	265	-	265	170
- Postage	51	-	51	-
- Office Requisites	291	-	291	224
- Telephone	316	-	316	347
Mission				
- Missionaries/Societies	6,100	-	6,100	6,508
- Christmas Card	-	-	-	91
	51,288	-	51,288	54,921

Church Lane Evangelical Church
Notes to the Financial Statements (continued)
for the Year Ended 31st December 2020

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£
<u>Charitable Activities Continued</u>				
brought forward	51,288	-	51,288	54,921
Property				
- Light & Heat	2,856	-	2,856	4,263
- Insurance	1,850	-	1,850	1,793
- Building Maintenance	-	68,946	68,946	-
- Equipment Maintenance	78	-	78	816
- Repairs & Renewals	461	-	461	372
- Cleaning & Other Expenses	780	-	780	3,640
- Minor Fixtures & Equipment	199	-	199	1,773
- Depreciation	417	-	417	424
Sundries				
- Refreshments & Catering	233	-	233	917
- Copyright Licence	461	-	461	990
- Computer Expenses	2,352	-	2,352	577
- Subscriptions	272	-	272	540
- Sundries	521	-	521	367
Total Charitable Activities	<u>61,767</u>	<u>68,946</u>	<u>130,713</u>	<u>71,393</u>
<u>Other</u>				
- Bank Charges	174	-	174	310
- Legal & Professional Fees	240	-	240	-
- Independent Examination	620	-	620	610
Total Other	<u>1,034</u>	<u>-</u>	<u>1,034</u>	<u>920</u>
Total Expenditure	<u>62,802</u>	<u>68,946</u>	<u>131,748</u>	<u>72,313</u>

Church Lane Evangelical Church
Notes to the Financial Statements (continued)
for the Year Ended 31st December 2020

4. Tangible Fixed Assets

	<u>Freehold Property</u>	<u>Furniture & Fixtures</u> £	<u>Computer & PA Equipment</u> £	<u>Total</u>
Cost or Valuation				
At 1st January 2020	995,992	19,335	10,471	1,025,798
Additions	-	-	-	-
At 31st December 2020	<u>995,992</u>	<u>19,335</u>	<u>10,471</u>	<u>1,025,798</u>
Depreciation				
At 1st January 2020	-	18,918	10,471	29,389
Charge for the year	-	417	-	417
At 31st December 2020	<u>-</u>	<u>19,335</u>	<u>10,471</u>	<u>29,806</u>
Net Book Value				
At 31st December 2020	<u>995,992</u>	<u>-</u>	<u>-</u>	<u>995,992</u>
At 31st December 2019	<u>995,992</u>	<u>417</u>	<u>-</u>	<u>996,409</u>

5. Debtors

	<u>2020</u> £	<u>2019</u> £
Accrued Income - Gift Aid Tax	6,443	2,417
Other Debtors	9,277	-
Prepayments	544	528
	<u>16,264</u>	<u>2,945</u>

Church Lane Evangelical Church
Notes to the Financial Statements (continued)
for the Year Ended 31st December 2020

6. Cash at bank and in hand

	2020	2019
	£	£
Lloyds Bank Plc Current Account	3,360	9,917
Lloyds Bank Plc Deposit Account	94,246	44,576
Stafford Railway Building Society	-	66,908
Day/Morning For Retired Account	1,760	1,710
Acorns Account	2,100	1,905
Youth Club Float	15	1
Cash Floats	18	18
	101,498	125,034

7. Creditors Due Within One Year

	2020	2019
	£	£
Creditors for Goods and Services	20,602	788
Other Creditors	529	445
Social Security & Other Taxes	1,701	2,046
Accruals and Deferred Income	1,295	7,386
	24,128	10,665

Church Lane Evangelical Church
Notes to the Financial Statements (continued)
for the Year Ended 31st December 2020

8. Movement in Funds - Unrestricted Funds

	Balance at 01.01.20	Incoming Resources	Resources Expended	Transfers	Balance at 31.12.20
	£	£	£	£	£
General Fund	1,081,502	62,170	(61,825)	(19,598)	1,062,251
Designated - Salary Reserve	8,500	-	-	-	8,500
Designated - Strategic Reserve	15,000	-	-	-	15,000
Designated - Day/Morning for Retired Fund	1,710	413	(363)	-	1,760
Designated - Youth Work Fund	1	21	(7)	-	15
Designated - Acorns Fund	1,905	801	(607)	-	2,100
	1,108,621	63,405	(62,802)	(19,598)	1,089,626

Comparative year	Balance at 01.01.19	Incoming Resources	Resources Expended	Transfers	Balance at 31.12.19
	£	£	£	£	£
General Fund	1,085,929	61,437	(67,663)	1,800	1,081,502
Designated - Salary Reserve	8,500	-	-	-	8,500
Designated - Strategic Reserve	15,000	-	-	-	15,000
Designated - Day/Morning for Retired Fund	2,685	2,487	(2,262)	(1,200)	1,710
Designated - Youth Work Fund	-	114	(113)	-	1
Designated - Acorns Fund	1,876	2,905	(2,276)	(600)	1,905
	1,113,991	66,941	(72,313)	-	1,108,621

9. Movement in Funds - Restricted Funds

	Balance at 01.01.20	Incoming Resources	Resources Expended	Transfers	Balance at 31.12.20
	£	£	£	£	£
Youth Pastor Fund	5,103	-	-	(5,103)	-
Building Fund	-	44,245	(68,946)	24,701	-
	5,103	44,245	(68,946)	19,598	-

Comparative year	Balance at 01.01.19	Incoming Resources	Resources Expended	Transfers	Balance at 31.12.19
	£	£	£	£	£
Youth Pastor Fund	5,103	-	-	-	5,103
	5,103	-	-	-	5,103

The nature of the restrictions on the use of the above funds are as follows:-

Youth Pastor Fund - to fund a youth pastor - now derestricted to general funds

Building Fund - to fund the hall refurbishment work

All of the above funds were invested in a Lloyds Bank Account or the Stafford Railway Building Society Account (closed in the year)

Church Lane Evangelical Church
Notes to the Financial Statements (continued)
for the Year Ended 31st December 2020

10. Analysis of Net Assets Between Funds

Y/e 31/12/20	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible Fixed Assets	995,992	-	995,992
Current Assets	117,762	-	117,762
Creditors due within one year	(24,128)	-	(24,128)
Total Net Assets	1,089,626	-	1,089,626

Y/e 31/12/19	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible Fixed Assets	996,409	-	996,409
Current Assets	122,877	5,103	127,980
Creditors due within one year	(10,665)	-	(10,665)
Total Net Assets	1,108,621	5,103	1,113,724

11. Emoluments of Employees

	2020	2019
	£	£
Salary & Wages	40,222	33,054
Social Security costs	110	-
Pension Costs	788	544
	41,120	33,598

The average monthly number of employees during the year were as follows:-

	2020	2019
Pastor	1	1
Administration	1.5	2
Cleaner	0	1
	2.5	4

There were no employees whose emoluments exceeded £60,000 either this year or last year.

12. Trustees and other Related Parties

There were no expenses claimed related to being a trustee.