

THE CHURCH AT CARRS LANE

England & Wales · Charity number 1153980

Details

Status Registered

Legal form Other

Registered 2013-09-26

Register [View on the Charity Commission register](#)

Contact

Address The Church at Carrs Lane
Carrs Lane
Birmingham
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Activities

Objects: THE PURPOSE OF THE CHARITY IS TO ADVANCE THE CHRISTIAN FAITH IN THE AREA OF BENEFIT IN ACCORDANCE WITH THE PRINCIPLES AND PRACTICES OF THE PARTICIPATING CHURCHES.

Activities: Advance the Christian faith in the area of benefit in accordance with the principles and practices of the participating churches.

Classification

- **How:** Provides Buildings/facilities/open Space, Other Charitable Activities
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- Birmingham City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£162,970	£220,633	-	-
2024-03-31	£165,367	£201,784	-	-
2023-03-31	£175,678	£336,800	-	-
2022-03-31	£224,078	£360,488	-	-
2021-03-31	£154,949	£315,320	-	-

Trustees

Name	Role	Appointed
Caroline Ruth Ambler		2021-01-01
Christine Anne Tudor Jones		2021-01-01
Dr Michael Richer		2022-01-01
Elizabeth Barbara Cummings		2022-01-01
Peter Mervyn Cummings		2023-01-01
Peter Woodall		2018-01-01
Rev Cleopas Sibanda		2024-09-01
Taiwo Christopher Makanjuola		2021-01-01
Timothy Dagnall		2026-01-01

THE CHURCH AT CARRS LANE

England & Wales - Charity number 1153980

Accounts

The Church at Carrs Lane

Trustees' Report and Financial Statements

For the year ended 31 March 2025

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Reference and Administrative Details of the Charity, its Trustees and Advisers
For the year ended 31 March 2025

Trustees	Caroline Ruth Ambler Revd Cleopas Sibanda (appointed 1 September 2024) Peter Mervyn Cummings Christine Anne Tudor-Jones Taiwo Christopher Makanjuola Dr Michael Richer Revd Suzanne Shortman (resigned 31 August 2024) Martin Stokes Peter Malcolm Woodall Elizabeth Barbara Cummings
Charity registered number	1153980
Principal office	Carrs Lane Birmingham B4 7SX
Accountants	Dains Audit Limited 2 Chamberlain Square Birmingham B3 3AX
Bankers	CAF Bank Limited West Mallong Kent ME19 4TA
Solicitors	Veale Wasbrough Vizards LLP Second Floor 3 Brindley Place Birmingham B1 2JB Keeleys LLP - Solicitors for employment issues 28 Dam Street Lichfield WS13 6AA
Investment advisers	Quilter Cheviot 2 Snowhill Birmingham B4 6GA

Trustees' report

For the year ended 31 March 2025

The Trustees present their annual report together with the financial statements for The Church at Carrs Lane (the charity) for the year ended 31 March 2025. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard 102 as updated by SORP Bulletin 1.

Objectives and activities

● **Policies and objectives**

In furtherance of our charitable objects, it is our mission to be a community of Christians which seeks to respond honestly and imaginatively to the challenge to live out the Christian life in the centre of a 21st century city. As part of our becoming a Local Ecumenical Partnership (LEP) the following Guiding Principles have been adopted by Trustees and approved by Church Meeting:

Guiding principles

Together we seek to embody what it means to proclaim God incarnate at the heart of Birmingham as:

- We aim to be the body of Christ, by means of the common life of our diverse congregations and throughout the location as a strategic centre for Christian mission and service.
- We seek to demonstrate 'koinonia' (communion/community/contribution) as a true model of Church and City. We believe in Church that is based around relationships and we commit ourselves to the nurturing and intentional Christian Community at Carrs Lane.

Therefore:

- We endeavour to offer relevant and accessible Christian worship which gives voice to the hopes and yearnings of the people of the city.
- We strive relentlessly for justice, peace and care for all God's Creation, but with a specific focus on the concerns of the city centre; we have a responsibility to respond to the rhythms of the city.
- We acknowledge the responsibilities of our prophetic role, and aim to be challenging, comforting and resourcing the wide city, not least through offering space for people to engage in urban theological reflection.
- We commit ourselves for releasing and resourcing new opportunities for creative ministries, including the development and sustenance of chaplaincies in the city centre.
- We will continue the ministry of hospitality in its many forms.

Trustees' report (continued) For the year ended 31 March 2025

Objectives and activities (continued)

● Achievements and performance

Review of activities

The Church at Carrs Lane holds the assets of the former Carrs Lane Church Centre and Birmingham Methodist City Mission (BMCM). The Church at Carrs Lane acts as the managing trustee for the former investment portfolio of BMCM held by the Trustee for Methodist Church Purposes.

The year 2024/25 was one of stability and consolidation after the shocks of Covid and lockdowns. Changes to the ministerial support from both churches have meant that the Church has decided to employ a Lay Pastoral Worker. Encouraging signs of new people becoming involved in the life of the Church and new activities are important signs for the future. Further details and information about The Church at Carrs Lane and related activities are on the Church website - <https://carrslane.co.uk/>.

Until September 2020, the wholly owned trading company 'Carrs Lane Conference Centre Limited' had responsibility for the day to day management of the meeting room hire business, day to day supervision of employees and the building. From September 2020, these functions transferred directly to the Church and the company has been formally closed. A small number of lettings continue to be arranged for a diverse range of organisations and activities. Most of these are broadly linked to the Church's wider mission. The Church building continued to be overseen by a part-time manager supported by volunteers from the congregation.

There was an increase of one member in the year to 31st December 2024 giving a total of 56 members. Average Sunday morning attendance was 30 people per week. This has since increased to between 30 and 40 and continues to include regular non-members and a number of visitors. Services also continue to be streamed on line. Wednesday lunchtime services also continue, including communion and a ministry of prayer responding to requests from the wider community. A good pastoral system enables the Church to keep in touch with others who are no longer able to worship with us. The Church has sought to maintain and develop links with partner organisations and provide support through chaplaincy and practical work.

The Church is working with the Synod to fill a vacancy for a new URC minister within the Birmingham South and Central Pastorate which includes Weoley Hill URC, Weoley Castle URC and the Cotteridge Church as well as Carrs Lane. The Revd Cleopas Sibanda joined as Methodist Minister in September 2024 and shares work at Carrs Lane with two other Churches in the Birmingham Circuit.

Revd Elaine Hutchinson, the team leader of Be.friend, the Retail Chaplaincy, continues to co-ordinate retail chaplaincy, with chaplains visiting retailers around the city centre, including The Bullring and Grand Central/New Street Station Shopping Centres, The Bullring Markets, High Street and Great Western Arcade. A group of chaplains also visit the German Market in New Street and Victoria Square. This ministry is funded by The Church at Carrs Lane, and The Methodist, URC, and Anglican churches. **Be.friend** operates under the umbrella of WorkCare West Midlands who took over from Churches Industrial Group Birmingham and Solihull.

A permanent children's area in the main church room makes clear the value placed on our younger members. Junior church continues to meet most weeks with a number of children enjoying the work that the leaders put in to offer a class each week. The children have helped in church in various ways and interact well with the wider congregation.

Trustees' report (continued)
For the year ended 31 March 2025

Objectives and activities (continued)

The young adults' group (which includes students of varying ages as well as young professionals) met regularly online, and occasionally in person, and is generally led by the members. The group also led some worship services during the year.

Our former Methodist Minister, Rev Neil Johnson, is now working full time with The Street Banquet, a Church at the Margins project of the Birmingham Methodist District. This is building a community of members of the homeless community and other vulnerable adults and is usually hosted at the Church and supported by a number of Church members. The Church also engages with the refugee community, and has partnerships with a number of other organisations.

As part of the changes made in 2022, the former bookshop was opened as a Mission Space enabling a number of partner organisations to continue to meet regularly on the premises and engage with refugee, homeless, and LGBTQI+ communities.

The Church engages with a wide number of other groups in the city centre including City Centre Churches Together, particularly through the Good Friday ecumenical walk of witness, Birmingham Pride with 'Christians at Pride Birmingham', the Aston and Nechells Foodbank, and Pray24Brum.

As a church we continue to work on different aspects of inclusion, including anti-racism. Carrs Lane, is a church which is open to discussion and sharing different ideas without judgement, and is a safe place for people who are LGBTQI+, so this is important to who we are and why people 'look us up'. We are still exploring the depths of people's experiences and how we move from inclusion and belonging to solidarity and deeper understanding.

Public benefit

In reviewing the year, the Trustees have taken into account the Charity Commission's guidance on public benefit and the two principles that:

- There must be an identifiable benefit or benefits, and
- The benefit must be to the public or a section of the public

They have also considered the specific guidance on charities for the advancement of religion.

The Trustees believe that The Church at Carrs Lane provides identifiable benefits which are open to all who wish to participate in its life and development.

Attendance at the Church's activities is open to all, although anyone wishing to become a member does so on a profession of faith according to the practices of the LEP.

No private benefit accrues.

Trustees' report (continued)
For the year ended 31 March 2025

Financial review

● **Reserves policy**

General purposes fund

Object: To use income arising from the activities of The Church at Carrs Lane to support the charitable objects to advance the Christian religion in accordance with the doctrines, principles and usages of the Church in accordance with the terms of the Local Ecumenical Partnership.

Reserves policy: Unrestricted funds are needed to assist with a proper stewardship of the Church's assets and to help cover related administration costs. The Trustees consider it prudent to have adequate working capital to enable its activities to proceed unhindered. At 31 March 2025 the balance in this fund was £37,433 (2024 - £86,835) and the Trustees consider this to be adequate for that purpose.

Youth fund

Object: Funds were given to assist the Church with youth work.

Reserves policy: A designated fund that can only be expended on projects which benefit children, young people or young adults up to the age of thirty years. Those benefiting may be children of the congregation, members of the congregation or anyone under the age of thirty for whom it is deemed appropriate. At 31 March 2025 the balance in this fund was £2,787 (2024 - £2,787).

Investment portfolio

Object: Funds mainly contributed by Carrs Lane Church Centre and subsequent legacies. The Trustees have resolved to invest funds arising from previous legacies and other sources in order to provide a source of income to support the Church's charitable objects.

Reserves policy: A designated fund that can only be invested ethically as determined by the Trustees in order to provide an income source. Currently, on the recommendation of the Finance Committee, the funds are externally managed on a discretionary basis. At 31 March 2025 the balance in this fund was £646,588 (2024: £655,568).

Tangible fixed assets

Objects: To reflect previous expenditure on the building and fixtures and fittings by the Trustees in order to enhance the premises for the purposes of meeting the Church's charitable objects. During 2021/22 the value of building assets was impaired to zero to reflect the changing circumstances of the Church.

Reserves policy: A designated fund which matches the depreciated book value of tangible fixed assets, reflecting the historic spending on improvements to the building rather than resources available for future use. At 31 March 2025 the balance in this fund was £Nil (2024 - £6,370).

Funds held by The Trustees for Methodist Church Purposes

Objects: These funds represent those funds contributed by Birmingham Methodist City Mission to the Local Ecumenical Partnership ("LEP") which are held by the Trustees for Methodist Church Purposes.

Reserves: The funds can be used in furtherance of mission in the City Centre which falls within the charity's objects but if applied for improvement/development of the church building, would be restricted to the extent that on dissolution of the LEP the Methodist Church would hold a charge over the property for a sum equivalent to the amount spent on the building. At 31 March 2025 the balance in this fund was £83,357 (2024 - £88,268).

Trustees' report (continued)
For the year ended 31 March 2025

Review of finances

Whilst the Church continues to make progress in stabilising the financial situation following the shock of lockdowns and the loss of external income from conference and letting activities, the financial situation remains difficult. Further savings have been achieved in utility bills and other areas. Some income is received from room hire and members continue to be generous in supporting the Church. However, the need to employ staff in order to maintain the mission and ministry of the Church means that this situation is not financially sustainable.

Cash flow during the year meant that the Church did not need to apply further funds from resources transferred from the two founding churches. As a result of market movements, the Churches investments reduced in value by a further £12k.

Overall the net total funds of the Church reduced by a further £70k from £0.840m to £0.770m at 31 March 2025. This continues to represent a more stable position than some recent previous years but shows the difficult financial position of the Church. Excluding the loss on investments, legacy, and depreciation, the underlying loss for the year is £51k which is a slight improvement on the previous year. The Trustees continue to review the Church's financial position and identify other cost savings.

Structure, governance and management

● **Constitution**

The Church at Carrs Lane is a Single Congregation Local Ecumenical Partnership between Carrs Lane Church Centre and Birmingham Methodist City Mission. It was created on 14 July 2013 as a registered charity, number 1153980. This body became active on 1 April 2014 taking over the worship-related activities of Carrs Lane Church Centre, with the transfer of assets of Carrs Lane Church Centre following on 1 July 2014 together with the assets of its Methodist Partner on 1 September 2014.

For the purposes of formalising the arrangements for maintaining the URC owned building, a sharing agreement had already been created on 26 March 2014 between the United Reformed Church (West Midlands) Trust Limited and the Birmingham Methodist City Mission. A deed amending the provisions of the sharing agreement was created on 31 October 2017. A joint council meeting with representation from both denominations meets annually to oversee and approve transactions.

● **Methods of appointment or election of Trustees**

The Trustees are appointed by the Church Members by postal ballot to ensure that all members are able to vote if they wish.

Trustees' report (continued)
For the year ended 31 March 2025

Structure, governance and management (continued)

● **Organisational structure and decision-making policies**

Trustees have met regularly throughout the year. Aware of their responsibilities under Charity Law, the Trustees are also acting in accordance with the structures of the United Reformed and Methodist Churches, and take into account the important role of such bodies as the Church Officers, Church Meeting and Finance Committee.

The Trustees retain ultimate authority for the running and wellbeing of the Church, but in practice various bodies act on their authority. The Finance Committee oversees the investment portfolios, makes recommendations regarding a budget, and monitors income and expenditure. The Trustees receive regular financial reports from those meetings. The Trustees also formally approve the budget and financial statements and ensure that these are presented at the Annual Business Meeting of the Church. The Property Oversight Committee has day to day responsibility for the management of the building and the Centre Manager.

The Trustees are responsible for the appointment of their advisers and review their appointment annually. Mark Gurney of Dains Audit Services has acted as our independent examiner. Quilter Cheviot act as investment manager. Veale Wasborough Vizards LLP acts as main solicitor and Keelys LLP advises on employment matters.

● **Related party relationships**

Be.friend city centre retail chaplaincy

Reverend Elaine Hutchinson continues her valued role as team leader of volunteer chaplains and was formally inducted as a minister of The Church at Carrs Lane in 2019. This important and valued ministry continues to be funded by the Anglican Church, Birmingham Methodist District and The Church at Carrs Lane.

Carrs Lane Counselling Centre, a separate charity operating in the premises, continues its valuable work, by offering a first class BCAP accredited counselling service to adults, though raising sufficient funds to support its work has become significantly more difficult. Members of the Church serve on its governing body. It provides a minimal cost service and is an outworking of the church's commitment to the city in the light of its mental health needs.

The Church has been represented at the **United Reformed Church West Midlands Synod**, and also at the **Birmingham Circuit Assembly** and the **Birmingham District Synod of the Methodist Church**.

The Church at Carrs Lane continues to receive a significant annual grant from **Joseph Scott's Chapel Charity**. Up until April 2024, four members of the Church served as trustees of this charity. From this date, the assets and liabilities of the charity were transferred to The United Reformed Church (West Midlands) Trust Limited.

Trustees' report (continued)
For the year ended 31 March 2025

Plans for future periods

In the light of the significant changes which have occurred during the last few years the Church has reviewed and adjusted its activities and expenditure and has considered options for the future mission and ministry of the Church. It has concluded that there is a strong need for the continuing presence of The Church at Carrs Lane on its current site in the city centre but that the current building is no longer fit for purpose.

The Church has appointed professional advisors to work on a redevelopment project and is in discussions with a development partner to bring this to fruition. Working together with the sponsoring Churches and other partners, the Trustees are continuing to pursue these redevelopment proposals in order to maintain the Church's mission and ministry into the future.

Statement of 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 & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Martin Stokes
Trustee

Date: 19 December 2025

The Church at Carrs Lane

Independent Examiner's Report For the year ended 31 March 2025

Independent Examiner's Report to the Trustees of The Church at Carrs Lane ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2025.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent Examiner's Statement

Your attention is drawn to the fact that the Charity has prepared the accounts 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).

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 19 December 2025

Mark Gurney FCCA DChA

Dains Audit Limited
Birmingham

Statement of financial activities
For the year ended 31 March 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
	Note				
Income from:					
Donations and legacies	3	90,569	-	90,569	99,513
Charitable activities	4	32,512	-	32,512	26,419
Investments	5	39,889	-	39,889	39,435
Total income		162,970	-	162,970	165,367
Expenditure on:					
Raising funds		4,964	-	4,964	5,166
Charitable activities		215,669	-	215,669	196,618
Total expenditure		220,633	-	220,633	201,784
Net expenditure before investments		(57,663)	-	(57,663)	(36,417)
Net losses on investments		(7,089)	(4,911)	(12,000)	(24,847)
Net movement in funds		(64,752)	(4,911)	(69,663)	(61,264)
Reconciliation of funds:					
Total funds brought forward		751,560	88,268	839,828	901,092
Net movement in funds		(64,752)	(4,911)	(69,663)	(61,264)
Total funds carried forward		686,808	83,357	770,165	839,828

The notes on pages 12 to 29 form part of these financial statements.

The Church at Carrs Lane**Registered number:****Balance sheet****As at 31 March 2025**

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	9	-	6,370
Investments	10	729,944	743,835
		729,944	750,205
Current assets			
Debtors	11	42,990	78,459
Cash at bank and in hand		22,341	33,495
		65,331	111,954
Current liabilities			
Creditors: amounts falling due within one year	12	(25,110)	(22,331)
Net current assets		40,221	89,623
Total net assets		770,165	839,828
Charity funds			
Restricted funds	13	83,357	88,268
Unrestricted funds	13	686,808	751,560
Total funds		770,165	839,828

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Peter Malcolm Woodall
Trustee

Date: 19 December 2025

The notes on pages 12 to 29 form part of these financial statements.

Notes to the financial statements
For the year ended 31 March 2025

1. General information

The Church at Carrs Lane is an unincorporated charitable trust registered with the Charity Commission in England and Wales with registered number 1153980. The registered office is shown on page 1. The principal activity of the charity is the advancement of the Christian faith in Birmingham in accordance with the principles and practices of the participating churches.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Church at Carrs Lane 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.

2.2 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the contribution of church members and friends to the work set out in the Trustees' report is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Notes to the financial statements
For the year ended 31 March 2025

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Properties

The properties in use by The Church at Carrs Lane are registered in the name of The United Reformed Church (West Midlands) Trust Limited but held for the benefit of the Church. For this reason the cost of the properties is not reflected in the financial statements. Any capital works undertaken by the Church are capitalised and depreciated in accordance with the policy below.

Notes to the financial statements
For the year ended 31 March 2025

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Property improvements	- Over 10 years
Fixtures and fittings	- Over 5 years
Piano	- Over 15 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements
For the year ended 31 March 2025

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements
For the year ended 31 March 2025

3. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations			
Offertories	32,576	32,576	34,231
Other donations	6,448	6,448	2,069
Grants			
Joseph Scott's Chapel Charity	24,563	24,563	20,800
Church of England and Methodist Circuit contributions to retail chaplaincy	26,982	26,982	9,072
Methodist Circuit grant	-	-	8,341
Legacies	-	-	25,000
	<u>90,569</u>	<u>90,569</u>	<u>99,513</u>

The income in 2024 was wholly attributable to unrestricted funds.

4. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Rental income	32,512	32,512	26,419

The income in 2024 was wholly attributable to unrestricted funds.

Notes to the financial statements
For the year ended 31 March 2025

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Dividend income	39,617	39,617	39,086
Bank interest	272	272	349
	<u>39,889</u>	<u>39,889</u>	<u>39,435</u>

The income in 2024 was wholly attributable to unrestricted funds.

Notes to the financial statements
For the year ended 31 March 2025

6. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Charitable activities	163,198	52,471	215,669	196,618
Total 2024	153,079	43,539	196,618	

The expenditure on charitable activities in 2025 and 2024 was wholly attributable to unrestricted funds.

Analysis of direct costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	36,090	32,364
Depreciation	6,370	6,779
Ministry and mission contributions to URC/Methodist	39,144	39,542
Manse expenses	-	1,274
Pulpit, worship and pastoral supplies	97	199
Mission activities	1,070	1,538
Musicians and music	654	754
Redevelopment project	36,016	18,683
Utilities and rates	23,550	31,959
Cleaning and refuse	828	960
Insurance	9,486	8,569
General maintenance	7,355	9,957
City Centre chaplaincy administrative costs	2,538	501
	163,198	153,079

Notes to the financial statements
For the year ended 31 March 2025

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	31,732	21,278
Staff recruitment and training	200	743
Legal and professional	2,788	5,228
Office and communication costs	10,156	10,037
Independent examiner and accountancy fees	3,300	4,500
Bad debt provision	2,581	640
Sundries	1,714	1,113
	52,471	43,539

Notes to the financial statements
For the year ended 31 March 2025

7. Staff costs

	2025	2024
	£	£
Wages and salaries	66,613	52,717
Pension costs	1,209	925
	<u>67,822</u>	<u>53,642</u>

The average number of persons employed by the Charity during the year was as follows:

	2025	2024
	No.	No.
Administration	1	2
Premises	1	1
Musicians	1	1
Retail Chaplain	1	1
	<u>4</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

All key management personnel (being the Trustees) act in a voluntary capacity and are not remunerated.

Included in the wages and salaries cost above is £36,091 (2024 - £32,364), being the salary of the Retail Chaplain whose position is part funded by the Church of England and Methodist Circuit, with the balance being met from Church resources.

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

Notes to the financial statements
For the year ended 31 March 2025

9. Tangible fixed assets

	Property improvements £	Fixtures and fittings £	Total £
Cost			
At 1 April 2024	1,618,631	176,430	1,795,061
At 31 March 2025	1,618,631	176,430	1,795,061
Depreciation			
At 1 April 2024	1,618,631	170,060	1,788,691
Charge for the year	-	6,370	6,370
At 31 March 2025	1,618,631	176,430	1,795,061
Net book value			
At 31 March 2025	-	-	-
At 31 March 2024	-	6,370	6,370

Notes to the financial statements
For the year ended 31 March 2025

10. Fixed asset investments

	Listed investments £	Cash £	Total £
Cost or valuation			
At 1 April 2024	739,123	4,712	743,835
Additions	157,621	18,467	176,088
Disposals	(177,979)	-	(177,979)
Revaluations	(12,000)	-	(12,000)
At 31 March 2025	<u>706,765</u>	<u>23,179</u>	<u>729,944</u>
Net book value			
At 31 March 2025	<u>706,765</u>	<u>23,179</u>	<u>729,944</u>
At 31 March 2024	<u>739,123</u>	<u>4,712</u>	<u>743,835</u>

Notes to the financial statements
For the year ended 31 March 2025

11. Debtors

	2025 £	2024 £
Trade debtors	20,074	19,875
Other debtors	12,186	13,300
Prepayments and accrued income	10,730	45,284
	<u>42,990</u>	<u>78,459</u>

Debtors includes £12,394 owing from Carrs Lane Counselling Centre (2024 - £17,174).

12. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	4,627	11,162
Other taxation and social security	665	1,811
Other creditors	625	812
Accruals and deferred income	19,193	8,546
	<u>25,110</u>	<u>22,331</u>

Notes to the financial statements
For the year ended 31 March 2025

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
Designated funds						
Youth Fund	2,787	-	-	-	-	2,787
Tangible fixed assets	6,370	-	(6,370)	-	-	-
Fixed asset investments	655,568	-	-	(1,891)	(7,089)	646,588
	<u>664,725</u>	<u>-</u>	<u>(6,370)</u>	<u>(1,891)</u>	<u>(7,089)</u>	<u>649,375</u>
General funds						
General Funds - all funds	86,835	162,970	(214,263)	1,891	-	37,433
Total Unrestricted funds	<u>751,560</u>	<u>162,970</u>	<u>(220,633)</u>	<u>-</u>	<u>(7,089)</u>	<u>686,808</u>
Restricted funds						
Funds held by Trustees for Methodist Church Purposes	88,268	-	-	-	(4,911)	83,357
Total of funds	<u><u>839,828</u></u>	<u><u>162,970</u></u>	<u><u>(220,633)</u></u>	<u><u>-</u></u>	<u><u>(12,000)</u></u>	<u><u>770,165</u></u>

Notes to the financial statements
For the year ended 31 March 2025

13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Youth Fund	2,787	-	-	-	-	2,787
Tangible fixed assets	13,149	-	(6,779)	-	-	6,370
Fixed asset investments	690,590	-	-	(35,414)	392	655,568
	<u>706,526</u>	<u>-</u>	<u>(6,779)</u>	<u>(35,414)</u>	<u>392</u>	<u>664,725</u>
General funds						
General funds	<u>81,059</u>	<u>165,367</u>	<u>(195,005)</u>	<u>35,414</u>	<u>-</u>	<u>86,835</u>
Total Unrestricted funds	<u>787,585</u>	<u>165,367</u>	<u>(201,784)</u>	<u>-</u>	<u>392</u>	<u>751,560</u>
Restricted funds						
Funds held by Trustees for Methodist Church Purposes	<u>113,507</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,239)</u>	<u>88,268</u>
Total of funds	<u>901,092</u>	<u>165,367</u>	<u>(201,784)</u>	<u>-</u>	<u>(24,847)</u>	<u>839,828</u>

Notes to the financial statements
For the year ended 31 March 2025

13. Statement of funds (continued)

Youth fund

Funds were given to assist the Church with youth work.

Funds held by the Trustees for Methodist Church Purposes

These funds represent those funds contributed by Birmingham Methodist City Mission to the Local Ecumenical Partnership ("LEP") which are held by the Trustees for Methodist Church Purposes.

The funds can be used in furtherance of mission in the City Centre which falls within the charity's objects but if applied for improvement/development of the church building, would be restricted to the extent that on dissolution of the LEP the methodist church would hold a charge over the property for sums equivalent to the amount spending on the building.

Transfers between funds

The transfer from the restricted fund to unrestricted funds is following approval of the Trustees for Methodist Church Purposes to release funds primarily for capital projects but also to support the general purposes of the Church.

The Trustees have reviewed the designated fund categorisations and taken the decision to separate tangible fixed assets and fixed asset investments into separately identifiable funds with the result that the unrestricted general fund more clearly demonstrates the readily available funds for general operational purposes.

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Fixed asset investments	646,587	83,357	729,944
Current assets	65,331	-	65,331
Creditors due within one year	(25,110)	-	(25,110)
Total	686,808	83,357	770,165

Notes to the financial statements
For the year ended 31 March 2025

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	6,370	-	6,370
Fixed asset investments	655,567	88,268	743,835
Current assets	111,954	-	111,954
Creditors due within one year	(22,331)	-	(22,331)
Total	751,560	88,268	839,828

15. Pension commitments

The charity utilises a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,209 (2024 - £925) Contributions totalling £549 (2024 - £644) were payable to the fund at the balance sheet date and are included in creditors.

16. Other financial commitments

Expenditure of £36,016 (2024: £18,693) is shown in 2024/25 accounts on Redevelopment Project Costs. These are preliminary costs relating to the proposal that the Church building is demolished and a multi-use property built on the site which includes space for use by the Church and its partners. Initial work on surveys, Project Management and legal title has been undertaken. The Church continues to be in discussion with its sponsoring Churches, the City Council, and professional advisors to move the project forward. During 2025, the Church and URC West Midlands Synod Trust have begun negotiations with a development company with a view to signing a development agreement in early 2026.

At the Balance sheet date, as part of these developments the Church has entered into future commitments totalling £2,156 (2024: £10,218) for further Project Management and Feasibility Studies in relation to the project. The Church has continued to incur costs and create commitments during 2025/26. As part of the negotiations referred to above, a commitment to a contribution which would substantially offset these costs is being discussed.

The intention is that all remaining costs relating to the Redevelopment Project will be recovered within the structure of the project but the necessary legal arrangements are not yet in place for this.

17. Related party transactions

Joseph Scott's Chapel Charity

The Church at Carrs Lane is a specified beneficiary of the Joseph Scott's Chapel Charity. Up until April 2024, four members of the Church served as trustees of this charity. From this date, the assets and liabilities of the charity was transferred to the The United Reformed Church (West Midlands) Trust Limited (Charity no. 507027) and the separate Joseph Scott's Chapel Charity was removed from the Charity Commission register. The Church will continue to be the beneficiary of a portfolio of investments held by the The United Reformed Church (West Midlands) Trust. During the year a grant of £24,563 (2023 - £18,000) was confirmed. At the year end £4,300 (2024 - £Nil) was outstanding.

Carrs Lane Counselling Centre

During the year the Church received rents of £7,500 (2024: £7,500) and £4,030 (2024: £1,529) for other services from Carrs Lane Counselling Centre, a charity of which two of the trustees are also trustees. A bad debt of £1,530 has been provided for in these accounts. At year end £12,394 (2024 £17,174) was owed by the Counselling Centre to the Church.

18. Local Ecumenical Partnership

When Carrs Lane Church Centre and Birmingham Methodist City Mission came together as a Local Ecumenical Partnership and transfer the assets to The Church at Carrs Lane, their respective contributions were deemed to form part of "the Common Fund" to be used in furtherance of the charitable purposes of the charity. In the event that the partnership were to cease then the funds would be split between the Methodist and United Reformed Church based on the proportion contribution to the Common Fund.

Where Methodist funds in excess of £100,000 are used to improve the building (which is a United Reformed Church property) then this represents a capital contribution and would no longer form part of the Common Fund contribution.

On 31 October 2017 representatives of the two denominations entered into a Deed to vary the Sharing Agreement between them in respect of the capital contributions. Under this Deed, as at 31 March 2025, capital contributions totalling £632,159 have been made from the Methodist funds and accordingly the Methodist Share of the open market value of the property is 18.15%.

Notes to the financial statements
For the year ended 31 March 2025

Appendix I - Capital contributions and withdrawals to the Local Ecumenical Partnership

	United Reformed Church		Methodist	
	%	£	%	£
Year ended 2015				
Common fund contribution		1,361,952		1,134,657
Carried forward	55	1,361,952	45	1,134,657
Year ended 2016				
Common fund contribution				70,112
Carried forward	53	1,361,952	47	1,204,769
Year ended 2017				
Common fund contribution				(121,215)
Carried forward	56	1,361,952	44	1,083,554
Year ended 2018				
Common fund contribution				(340,055)
Carried forward	65	1,361,952	35	743,499
Year ended 2019				
Common fund contribution				(149,557)
Carried forward	70	1,361,952	30	593,942
Year ended 2020				
Common fund contribution				(21,331)
Carried forward	70	1,361,952	30	572,611
Year ended 2021				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611
Year ended 2022				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611
Year ended 2023				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611
Year ended 2024				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611
Year ended 2025				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611

THE CHURCH AT CARRS LANE

England & Wales - Charity number 1153980

Accounts

The Church at Carrs Lane

Trustees' Report and Financial Statements

For the year ended 31 March 2024

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Reference and Administrative Details of the Charity, its Trustees and Advisers
For the year ended 31 March 2024

Trustees

Caroline Ruth Ambler
Revd Anna Cristina Cipriani (resigned 31 October 2023)
Peter Mervyn Cummings
Christine Anne Tudor-Jones
Taiwo Christopher Makanjuola
Matthew John Neville (resigned 31 December 2023)
Dr Michael Richer
Revd Suzanne Shortman (resigned 31 August 2024)
Martin Stokes
Peter Malcolm Woodall
Deacon Ruth Brenda Yorke (resigned 31 August 2023)
Elizabeth Barbara Cummings

Charity registered number 1153980

Principal office

Carrs Lane
Birmingham
B4 7SX

Accountants

Dains Audit Limited
2 Chamberlain Square
Birmingham
B3 3AX

Bankers

CAF Bank Limited
West Malling
Kent
ME19 4TA

Solicitors

Veale Wasbrough Vizards LLP
Second Floor
3 Brindley Place
Birmingham
B1 2JB

Keeleys - Solicitors for employment issues
28 Dam Street
Lichfield
WS13 6AA

Investment advisers

Quilter Cheviot
2 Snowhill
Birmingham
B4 6GA

Trustees' report

For the year ended 31 March 2024

The Trustees present their annual report together with the financial statements for The Church at Carrs Lane (the charity) for the year ended 31 March 2024. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard 102.

Objectives and activities

● **Policies and objectives**

In furtherance of our charitable objects, it is our mission to be a community of Christians which seeks to respond honestly and imaginatively to the challenge to live out the Christian life in the centre of a 21st century city. As part of our becoming a Local Ecumenical Partnership (LEP) the following Guiding Principles have been adopted by Trustees and approved by Church Meeting:

Guiding principles

Together we seek to embody what it means to proclaim God incarnate at the heart of Birmingham as:

- We aim to be the body of Christ, by means of the common life of our diverse congregations and throughout the location as a strategic centre for Christian mission and service.
- We seek to demonstrate 'koinonia' (communion/community/contribution) as a true model of Church and City. We believe in Church that is based around relationships and we commit ourselves to the nurturing and intentional Christian Community at Carrs Lane.

Therefore:

- We endeavour to offer relevant and accessible Christian worship which gives voice to the hopes and yearnings of the people of the city.
- We strive relentlessly for justice, peace and care for all God's Creation, but with a specific focus on the concerns of the city centre; we have a responsibility to respond to the rhythms of the city.
- We acknowledge the responsibilities of our prophetic role, and aim to be challenging, comforting and resourcing the wide city, not least through offering space for people to engage in urban theological reflection.
- We commit ourselves for releasing and resourcing new opportunities for creative ministries, including the development and sustenance of chaplaincies in the city centre.
- We will continue the ministry of hospitality in its many forms.

The Church at Carrs Lane

Trustees' report (continued) For the year ended 31 March 2024

Objectives and activities (continued)

● Achievements and performance

Review of activities

The Church at Carrs Lane holds the assets of the former Carrs Lane Church Centre and Birmingham Methodist City Mission (BMCM). The Church at Carrs Lane acts as the managing trustee for the former investment portfolio of BMCM held by the Trustee for Methodist Church Purposes.

The activities of the Church have started to recover following the Covid-19 Pandemic and subsequent lock-downs. The Church website was regularly updated and gave details of The Church at Carrs Lane and related activities.

Until September 2020, the wholly owned trading company 'Carrs Lane Conference Centre Limited' had responsibility for the day to day management of the meeting room hire business, day to day supervision of employees and the building. From September 2020, these functions transferred directly to the Church and the company has been formally closed. A small number of lettings continue to be arranged for a diverse range of organisations and activities. Most of these are broadly linked to the Church's wider mission. The Church building continued to be overseen by a part-time manager supported by volunteers from the congregation.

There was a reduction of one member in the year to 31st December 2023 giving a total of 55 members. Average Sunday morning attendance was 33 people per week, which continues to include regular non-members and a number of visitors. Services also continued to be streamed on line. There also continued to be a service on Wednesday lunchtimes, including communion and a ministry of prayer responding to requests from the wider community. A good pastoral system enables the Church to keep in touch with others who are no longer able to worship with us. The Church has sought to maintain and develop links with partner organisations and provide support through chaplaincy and practical work.

The Revd Cristina Cipriani continued to serve as URC minister in a joint pastorate with Digbeth-in-the-Field URC in Yardley until October 2023 and the Church is now working with the Synod and a new pastorate to fill this vacancy. The Revd Sue Shortman joined as Methodist Minister in September 2022 and moved away in August 2024. Revd Cleopas Sibanda now has Methodist pastoral oversight and shares his work at Carrs Lane with his role as Superintendent and minister of two other Churches in the Birmingham Circuit.

Our Methodist Deacon, Ruth Yorke, left in July 2023. Prior to this she continued with city centre engagement and mission connections with a range of partners. Engagement with Birmingham Christian Homelessness Forum, City Centre Churches Together and other groups is now being picked up by other members of the ministry team or Church.

Revd Elaine Hutchinson, the team leader of the Retail Chaplaincy, continued to co-ordinate retail chaplaincy in city centre retail areas, and explore new ways of responding to the difficult situations following lock-down.

A permanent children's area in the main church room makes clear the value placed on our younger members. Latterly focus has been on encouraging and supporting young families as there are no older young people attending junior church at present.

The young adults' group (which includes students of varying ages as well as young professionals) met regularly online, and occasionally in person, and is generally led by the members. The group also led some worship services during the year.

Trustees' report (continued)
For the year ended 31 March 2024

Objectives and activities (continued)

The Church engages with the refugee community through meeting with groups from the Britannia Hotel, and partnerships with a number of other organisations.

Our former Methodist Minister, Rev Neil Johnson, is now working full time with The Street Banquet, a Church at the Margins project of the Birmingham Methodist District. This is building a community of members of the homeless community and other vulnerable adults and is usually hosted at the Church and supported by a number of Church members.

As part of the changes made in 2022, the former bookshop was opened as a Mission Space enabling a number of partner organisations to continue to meet regularly on the premises and engage with refugee, homeless, and LGBTQI+ communities.

The Church engages with a wide number of other groups in the city centre including City Centre Churches Together, particularly through the Good Friday ecumenical walk of witness, Birmingham Pride with 'Christians at Pride Birmingham', the Aston and Nechells Foodbank, Inclusive Gathering Birmingham, and Pray24Brum.

As a church we continue to work on different aspects of inclusion, including anti-racism. Carrs Lane, is a church which is open to discussion and sharing different ideas without judgement, and is a safe place for people who are LGBT+, so this is important to who we are and why people 'look us up'. We are still exploring the depths of people's experiences and how we move from inclusion and belonging to solidarity and deeper understanding.

Public benefit

In reviewing the year, the Trustees have taken into account the Charity Commission's guidance on public benefit and the two principles that:

- There must be an identifiable benefit or benefits, and
- The benefit must be to the public or a section of the public

They have also considered the specific guidance on charities for the advancement of religion.

The Trustees believe that The Church at Carrs Lane provides identifiable benefits which are open to all who wish to participate in its life and development.

Attendance at the Church's activities is open to all, although anyone wishing to become a member does so on a profession of faith according to the practices of the LEP.

No private benefit accrues.

Trustees' report (continued)
For the year ended 31 March 2024

Financial review

● **Reserves policy**

General purposes fund

Object: To use income arising from the activities of The Church at Carrs Lane to support the charitable objects to advance the Christian religion in accordance with the doctrines, principles and usages of the Church in accordance with the terms of the Local Ecumenical Partnership.

Reserves policy: Unrestricted funds are needed to assist with a proper stewardship of the Church's assets and to help cover related administration costs. The Trustees consider it prudent to have adequate working capital to enable its activities to proceed unhindered. At 31 March 2024 the balance in this fund was £86,835 (2023 - £81,059) and the Trustees consider this to be adequate for that purpose.

Youth fund

Object: Funds were given to assist the Church with youth work.

Reserves policy: A designated fund that can only be expended on projects which benefit children, young people or young adults up to the age of thirty years. Those benefiting may be children of the congregation, members of the congregation or anyone under the age of thirty for whom it is deemed appropriate. At 31 March 2024 the balance in this fund was £2,787 (2023 - £2,787).

Investment portfolio

Object: Funds mainly contributed by Carrs Lane Church Centre and subsequent legacies. The Trustees have resolved to invest funds arising from previous legacies and other sources in order to provide a source of income to support the Church's charitable objects.

Reserves policy: A designated fund that can only be invested ethically as determined by the Trustees in order to provide an income source. Currently, on the recommendation of the Finance Committee, the funds are externally managed on a discretionary basis. At 31 March 2024 the balance in this fund was £655,568 (2023: £690,590).

Tangible fixed assets

Objects: To reflect previous expenditure on the building and fixtures and fittings by the Trustees in order to enhance the premises for the purposes of meeting the Church's charitable objects. During 2021/22 the value of building assets was impaired to zero to reflect the changing circumstances of the Church.

Reserves policy: A designated fund which matches the depreciated book value of tangible fixed assets, reflecting the historic spending on improvements to the building rather than resources available for future use. At 31 March 2024 the balance in this fund was £6,370 (2023 - £13,149).

Funds held by The Trustees for Methodist Church Purposes

Objects: These funds represent those funds contributed by Birmingham Methodist City Mission to the Local Ecumenical Partnership ("LEP") which are held by the Trustees for Methodist Church Purposes.

Reserves: The funds can be used in furtherance of mission in the City Centre which falls within the charity's objects but if applied for improvement/development of the church building, would be restricted to the extent that on dissolution of the LEP the Methodist Church would hold a charge over the property for a sum equivalent to the amount spent on the building. At 31 March 2024 the balance in this fund was £88,268 (2023 - £113,507).

Trustees' report (continued)
For the year ended 31 March 2024

Review of finances

The Church has made further progress in stabilising the financial situation following the shock of lockdowns and the loss of external income from conference and letting activities. Income from these sources continued to reduce and this was partially offset by a further generous legacy. The Church staffing was reduced through redundancy in August 2022 and these accounts include the full year effect of this. Also the Church Finance Officer post has been vacant for the year and the Clerk left during the year. The Church has reluctantly reduced its contributions to its two sponsoring Churches. These savings, together with other savings in running costs, have significantly reduced the deficit for the year.

The Church applied a further £30k, from resources transferred from the two founding churches, to support and enhance the ministry and mission of the Church and to manage cash flow. As a result of market movements, the Churches investments reduced in value by a further £25k.

Overall the net total funds of the Church reduced by a further £61k from £0.901m to £0.840m at 31 March 2024 which is again a large improvement on the financial position of the two previous years. Excluding the drawdown of investments, legacy, and depreciation, the underlying loss for the year is £61k. The Trustees continue to review the Church's financial position and identify other cost savings.

Structure, governance and management

● **Constitution**

The Church at Carrs Lane is a Single Congregation Local Ecumenical Partnership between Carrs Lane Church Centre and Birmingham Methodist City Mission. It was created on 14 July 2013 as a registered charity, number 1153980. This body became active on 1 April 2014 taking over the worship-related activities of Carrs Lane Church Centre, with the transfer of assets of Carrs Lane Church Centre following on 1 July 2014 together with the assets of its Methodist Partner on 1 September 2014.

For the purposes of formalising the arrangements for maintaining the URC owned building, a sharing agreement had already been created on 26 March 2014 between the United Reformed Church (West Midlands) Trust Limited and the Birmingham Methodist City Mission. A deed amending the provisions of the sharing agreement was created on 31 October 2017. A joint council meeting with representation from both denominations meets annually to oversee and approve transactions.

● **Methods of appointment or election of Trustees**

The Trustees are appointed by the Church Members by postal ballot to ensure that all members are able to vote if they wish.

Trustees' report (continued)
For the year ended 31 March 2024

Structure, governance and management (continued)

● **Organisational structure and decision-making policies**

Trustees have met regularly throughout the year. Aware of their responsibilities under Charity Law, the Trustees are also acting in accordance with the structures of the United Reformed and Methodist Churches, and take into account the important role of such bodies as the Church Officers, Church Meeting and Finance Committee.

The Trustees retain ultimate authority for the running and wellbeing of the Church, but in practice various bodies act on their authority. The Finance Committee oversees the investment portfolios, makes recommendations regarding a budget, and monitors income and expenditure. The Trustees receive regular financial reports from those meetings. The Trustees also formally approve the budget and financial statements and ensure that these are presented at the Annual Business Meeting of the Church. The Property Oversight Committee has day to day responsibility for the management of the building and the Centre Manager.

The Trustees are responsible for the appointment of their advisers and review their appointment annually. Mark Gurney of Dains Audit Services has acted as our independent examiner. Quilter Cheviot act as investment manager. Veale Wasborough Vizards LLP acts as main solicitor and Keelys LLP advises on employment matters.

● **Related party relationships**

Be.friend city centre retail chaplaincy

Reverend Elaine Hutchinson continues her valued role as team leader of volunteer chaplains and was formally inducted as a minister of The Church at Carrs Lane in 2019. This important and valued ministry continues to be funded by the Anglican Church, Birmingham Methodist District and The Church at Carrs Lane.

Carrs Lane Counselling Centre, a separate charity operating in the premises, continues its valuable work, by offering a first class BCAP accredited counselling service to adults, though raising sufficient funds to support its work has become significantly more difficult. Members of the Church serve on its governing body. It provides a minimal cost service and is an outworking of the church's commitment to the city in the light of its mental health needs.

The Church has been represented at the **United Reformed Church West Midlands Synod**, and also at the **Birmingham Circuit Assembly** and the **Birmingham District Synod of the Methodist Church**.

The Church at Carrs Lane continues to receive a significant annual grant from **Joseph Scott's Chapel Charity**. Members of the Church serve as representative trustees of the charity.

Plans for future periods

The Church continues to explore, through prayer and discernment, the way forward in the light of the significant changes which have occurred during the last few years. The Church has appointed professional advisors to work on a redevelopment project. Church building requirements had been discussed in some detail in 2022 and these have been worked up into possible future plans. During 2023 the Church has had conversations with Birmingham City Council, who own the green space next to the Church and who have been developing strategic planning objectives for the area, about the possibility of a joint project. Working together with the sponsoring Churches and other partners, the Trustees will continue to pursue these redevelopment options in order to maintain the Church's mission and ministry into the future.

Trustees' report (continued)
For the year ended 31 March 2024

Statement of 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 & Wales requires the 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Martin Stokes

Trustee

Date: 19 December 2024

The Church at Carrs Lane

Independent Examiner's Report For the year ended 31 March 2024

Independent Examiner's Report to the Trustees of The Church at Carrs Lane ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2024.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent Examiner's Statement

Your attention is drawn to the fact that the Charity has prepared the accounts 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).

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 19 December 2024

Mark Gurney FCCA DChA

Dains Audit Limited
Birmingham

Statement of financial activities
For the year ended 31 March 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	99,513	-	99,513	96,353
Charitable activities	4	26,419	-	26,419	67,812
Investments	5	39,435	-	39,435	39,302
Total income		165,367	-	165,367	203,467
Expenditure on:					
Raising funds		5,166	-	5,166	5,937
Charitable activities	6	196,618	-	196,618	343,001
Total expenditure		201,784	-	201,784	348,938
Net expenditure before investments		(36,417)	-	(36,417)	(145,471)
Net gains/(losses) on investments		392	(25,239)	(24,847)	(67,206)
Net movement in funds		(36,025)	(25,239)	(61,264)	(212,677)
Reconciliation of funds:					
Total funds brought forward	13	787,585	113,507	901,092	1,113,769
Net movement in funds		(36,025)	(25,239)	(61,264)	(212,677)
Total funds carried forward	13	751,560	88,268	839,828	901,092

The notes on pages 12 to 29 form part of these financial statements.

The Church at Carrs Lane**Registered number:****Balance sheet****As at 31 March 2024**

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	9	6,370	13,149
Investments	10	743,835	804,097
		750,205	817,246
Current assets			
Debtors	11	78,459	47,407
Cash at bank and in hand		33,495	68,179
		111,954	115,586
Creditors: amounts falling due within one year	12	(22,331)	(31,740)
Net current assets		89,623	83,846
Total net assets		839,828	901,092
Charity funds			
Restricted funds	13	88,268	113,507
Unrestricted funds	13	751,560	787,585
Total funds		839,828	901,092

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Peter Malcolm Woodall

Trustee

Date: 19 December 2024

The notes on pages 12 to 29 form part of these financial statements.

Notes to the financial statements
For the year ended 31 March 2024

1. General information

The Church at Carrs Lane is an unincorporated charitable trust registered with the Charity Commission in England and Wales with registered number 1153980. The registered office is shown on page 1. The principal activity of the charity is the advancement of the Christian faith in Birmingham in accordance with the principles and practices of the participating churches.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Church at Carrs Lane 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.

2.2 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the contribution of church members and friends to the work set out in the Trustees' report is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Notes to the financial statements
For the year ended 31 March 2024

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Properties

The properties in use by The Church at Carrs Lane are registered in the name of The United Reformed Church (West Midlands) Trust Limited but held for the benefit of the Church. For this reason the cost of the properties is not reflected in the financial statements. Any capital works undertaken by the Church are capitalised and depreciated in accordance with the policy below.

Notes to the financial statements
For the year ended 31 March 2024

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Property improvements	- Over 10 years
Fixtures and fittings	- Over 5 years
Piano	- Over 15 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Notes to the financial statements
For the year ended 31 March 2024

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements
For the year ended 31 March 2024

3. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations			
Offertories	34,231	34,231	36,835
Other donations	2,069	2,069	2,799
Grants			
Joseph Scott's Chapel Charity	20,800	20,800	18,000
Church of England and Methodist Circuit contributions to retail chaplaincy	9,072	9,072	14,719
Methodist Circuit grant	8,341	8,341	7,000
Legacies	25,000	25,000	17,000
	<u>99,513</u>	<u>99,513</u>	<u>96,353</u>

The income in 2023 was wholly attributable to unrestricted funds.

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	26,419	26,419	67,812

The income in 2023 was wholly attributable to unrestricted funds.

Notes to the financial statements
For the year ended 31 March 2024

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Dividend income	39,086	39,086	39,080
Bank interest	349	349	222
	39,435	39,435	39,302

The income in 2023 was wholly attributable to unrestricted funds.

Notes to the financial statements
For the year ended 31 March 2024

6. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Charitable activities	153,079	43,539	196,618	343,001
Total 2023	209,793	133,208	343,001	

The expenditure on charitable activities in 2024 and 2023 was wholly attributable to unrestricted funds.

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	32,364	34,117
Depreciation	6,779	7,275
Ministry and mission contributions to URC/Methodist	39,542	60,751
Manse expenses	1,274	1,582
Pulpit, worship and pastoral supplies	199	38
Mission activities	1,538	2,377
Publicity and website	-	215
Musicians and music	754	1,184
Redevelopment project	18,683	20,016
Utilities and rates	31,959	43,994
Cleaning and refuse	960	2,262
Insurance	8,569	7,744
General maintenance	9,957	22,495
Catering purchases	-	5,132
City Centre chaplaincy administrative costs	501	611
	153,079	209,793

Notes to the financial statements
For the year ended 31 March 2024

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	21,278	103,976
Staff recruitment and training	743	618
Legal and professional	5,228	4,330
Office and communication costs	10,037	20,984
Independent examiner and accountancy fees	4,500	3,300
Bad debt provision	640	-
Sundries	1,113	-
	43,539	133,208

Notes to the financial statements
For the year ended 31 March 2024

7. Staff costs

	2024	2023
	£	£
Wages and salaries	52,717	132,220
Social security costs	-	3,657
Pension costs	925	2,216
	<u>53,642</u>	<u>138,093</u>

In August 2022, the Church made 4 staff redundant. The total redundancy payments made during the year were £Nil (2023 - £19,276).

The average number of persons employed by the Charity during the year was as follows:

	2024	2023
	No.	No.
Administration	2	1
Premises	1	2
Musicians	1	1
Retail Chaplain	1	1
	<u>5</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

All key management personnel (being the Trustees) act in a voluntary capacity and are not remunerated.

Included in the wages and salaries cost above is £35,470 (2023 - £34,117), being the salary of the Retail Chaplain whose position is part funded by the Church of England and Methodist Circuit, with the balance being met from Church resources.

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

Notes to the financial statements
For the year ended 31 March 2024

9. Tangible fixed assets

	Property improvements £	Fixtures and fittings £	Total £
Cost			
At 1 April 2023	1,618,631	176,430	1,795,061
At 31 March 2024	1,618,631	176,430	1,795,061
Depreciation			
At 1 April 2023	1,618,631	163,281	1,781,912
Charge for the year	-	6,779	6,779
At 31 March 2024	1,618,631	170,060	1,788,691
Net book value			
At 31 March 2024	-	6,370	6,370
At 31 March 2023	-	13,149	13,149

Notes to the financial statements
For the year ended 31 March 2024

10. Fixed asset investments

	Investments in subsidiary company £	Listed investments £	Cash £	Total £
Cost or valuation				
At 1 April 2023	1	795,485	8,611	804,097
Additions	-	77,786	-	77,786
Disposals	-	(109,301)	(3,899)	(113,200)
Revaluations	-	(24,847)	-	(24,847)
Amounts written off	(1)	-	-	(1)
At 31 March 2024	-	739,123	4,712	743,835
Net book value				
At 31 March 2024	-	739,123	4,712	743,835
At 31 March 2023	1	795,485	8,611	804,097

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Holding
Carrs Lane Conference Centre Limited	09048871	100%

Carrs Lane Conference Centre Ltd did not trade during the year and was dissolved on 22 August 2023.

Notes to the financial statements
For the year ended 31 March 2024

11. Debtors

	2024 £	2023 £
Trade debtors	19,875	18,250
Other debtors	13,300	6,800
Prepayments and accrued income	45,284	22,357
	<u>78,459</u>	<u>47,407</u>

Debtors includes £17,174 owing from Carrs Lane Counselling Centre (2023 - £8,855).

12. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	11,162	10,631
Other taxation and social security	1,811	2,016
Other creditors	812	513
Accruals and deferred income	8,546	18,580
	<u>22,331</u>	<u>31,740</u>

Notes to the financial statements
For the year ended 31 March 2024

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Youth Fund	2,787	-	-	-	-	2,787
Tangible fixed assets	13,149	-	(6,779)	-	-	6,370
Fixed asset investments	690,590	-	-	(35,414)	392	655,568
	<u>706,526</u>	<u>-</u>	<u>(6,779)</u>	<u>(35,414)</u>	<u>392</u>	<u>664,725</u>
General funds						
General funds	81,059	165,367	(195,005)	35,414	-	86,835
Total Unrestricted funds	<u>787,585</u>	<u>165,367</u>	<u>(201,784)</u>	<u>-</u>	<u>392</u>	<u>751,560</u>
Restricted funds						
Funds held by Trustees for Methodist Church Purposes	113,507	-	-	-	(25,239)	88,268
Total of funds	<u>901,092</u>	<u>165,367</u>	<u>(201,784)</u>	<u>-</u>	<u>(24,847)</u>	<u>839,828</u>

Notes to the financial statements
For the year ended 31 March 2024

13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Youth Fund	2,787	-	-	-	-	2,787
Tangible fixed assets	20,424	-	(7,275)	-	-	13,149
Fixed asset investments	855,309	-	-	(84,007)	(80,712)	690,590
	<u>878,520</u>	<u>-</u>	<u>(7,275)</u>	<u>(84,007)</u>	<u>(80,712)</u>	<u>706,526</u>
General funds						
General funds	<u>135,248</u>	<u>203,467</u>	<u>(341,663)</u>	<u>84,007</u>	<u>-</u>	<u>81,059</u>
Total Unrestricted funds	<u>1,013,768</u>	<u>203,467</u>	<u>(348,938)</u>	<u>-</u>	<u>(80,712)</u>	<u>787,585</u>
Restricted funds						
Funds held by Trustees for Methodist Church Purposes	<u>100,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,506</u>	<u>113,507</u>
Total of funds	<u><u>1,113,769</u></u>	<u><u>203,467</u></u>	<u><u>(348,938)</u></u>	<u><u>-</u></u>	<u><u>(67,206)</u></u>	<u><u>901,092</u></u>

Notes to the financial statements
For the year ended 31 March 2024

13. Statement of funds (continued)

Youth fund

Funds were given to assist the Church with youth work.

Funds held by the Trustees for Methodist Church Purposes

These funds represent those funds contributed by Birmingham Methodist City Mission to the Local Ecumenical Partnership ("LEP") which are held by the Trustees for Methodist Church Purposes.

The funds can be used in furtherance of mission in the City Centre which falls within the charity's objects but if applied for improvement/development of the church building, would be restricted to the extent that on dissolution of the LEP the methodist church would hold a charge over the property for sums equivalent to the amount spending on the building.

Transfers between funds

The transfer from the restricted fund to unrestricted funds is following approval of the Trustees for Methodist Church purposes to release funds primarily for capital projects but also to support the general purposes of the Church.

The Trustees have reviewed the designated fund categorisations and taken the decision to separate tangible fixed assets and fixed asset investments into separately identifiable funds with the result that the unrestricted general fund more clearly demonstrates the readily available funds for general operational purposes.

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	6,370	-	6,370
Fixed asset investments	655,567	88,268	743,835
Current assets	111,954	-	111,954
Creditors due within one year	(22,331)	-	(22,331)
Total	751,560	88,268	839,828

Notes to the financial statements
For the year ended 31 March 2024

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	13,149	-	13,149
Fixed asset investments	690,590	113,507	804,097
Current assets	115,586	-	115,586
Creditors due within one year	(31,740)	-	(31,740)
Total	787,585	113,507	901,092

15. Pension commitments

The charity utilises a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £925 (2023 - £2,216) Contributions totalling £644 (2023 - £428) were payable to the fund at the balance sheet date and are included in creditors.

16. Other financial commitments

Expenditure of £18,693 (2023: £20,016) is shown in 2023/24 accounts on Redevelopment Project Costs. These are preliminary costs relating to the proposal that the Church building is demolished and a multi-use property built on the site which includes space for use by the Church and its partners. Initial work on surveys, Project Management and legal title has been undertaken. The Church continues to be in discussion with its sponsoring Churches, the City Council, and professional advisors to move the project forward.

As part of these developments the Church has entered into future commitments totalling £10,218 (2023: £15,192) for further Project Management and Feasibility Studies in relation to the project.

The intention is that all costs relating to the Redevelopment Project will be recovered within the structure of the project but the necessary legal arrangements are not yet in place for this.

Notes to the financial statements
For the year ended 31 March 2024

17. Related party transactions

Carrs Lane Conference Centre

Carrs Lane Conference Centre Limited, the wholly owned subsidiary ceased to operate on 31st August 2020. All on-going business, assets and liabilities were transferred to the Church prior to 2021/22. The company was dissolved by Companies House in August 2023.

Joseph Scott's Chapel Charity

The Church at Carrs Lane is a specified beneficiary of the Joseph Scott's Chapel Charity and four members of the Church serve as trustees of this charity. During the year a grant of £20,800 (2023 - £18,000) was confirmed. At the year end £Nil (2023 - £Nil) was outstanding.

Carrs Lane Counselling Centre

During the year the Church received rents of £7,500 (2023: £10,534) and £1,529 (2023: £2,286) for other services from Carrs lane Counselling Centre, a charity of which two of the trustees are also trustees. The Church managed and paid the salaries of Counselling Centre staff which are reimbursed.

18. Local Ecumenical Partnership

When Carrs Lane Church Centre and Birmingham Methodist City Mission came together as a Local Ecumenical Partnership and transfer the assets to The Church at Carrs Lane, their respective contributions were deemed to form part of "the Common Fund" to be used in furtherance of the charitable purposes of the charity. In the event that the partnership were to cease then the funds would be split between the Methodist and United Reformed Church based on the proportion contribution to the Common Fund.

Where Methodist funds in excess of £100,000 are used to improve the building (which is a United Reformed Church property) then this represents a capital contribution and would no longer form part of the Common Fund contribution.

On 31 October 2017 representatives of the two denominations entered into a Deed to vary the Sharing Agreement between them in respect of the capital contributions. Under this Deed, as at 31 March 2021, capital contributions totalling £632,159 have been made from the Methodist funds and accordingly the Methodist Share of the open market value of the property is 18.15%.

Notes to the financial statements
For the year ended 31 March 2024

Appendix I - Capital contributions and withdrawals to the Local Ecumenical Partnership

	United Reformed Church		Methodist	
	%	£	%	£
Year ended 2015				
Common fund contribution		1,361,952		1,134,657
Carried forward	55	1,361,952	45	1,134,657
Year ended 2016				
Common fund contribution				70,112
Carried forward	53	1,361,952	47	1,204,769
Year ended 2017				
Common fund contribution				(121,215)
Carried forward	56	1,361,952	44	1,083,554
Year ended 2018				
Common fund contribution				(340,055)
Carried forward	65	1,361,952	35	743,499
Year ended 2019				
Common fund contribution				(149,557)
Carried forward	70	1,361,952	30	593,942
Year ended 2020				
Common fund contribution				(21,331)
Carried forward	70	1,361,952	30	572,611
Year ended 2021				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611
Year ended 2022				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611
Year ended 2023				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611
Year ended 2024				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611

THE CHURCH AT CARRS LANE

England & Wales - Charity number 1153980

Accounts

The Church at Carrs Lane

Trustees' Report and Financial Statements

For the year ended 31 March 2023



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The Church at Carrs Lane

Reference and Administrative Details of the Charity, its Trustees and Advisers For the year ended 31 March 2023

Trustees	Caroline Ruth Ambler Joe Bullen (resigned 31 December 2022) Revd Anna Cristina Cipriani Peter Mervyn Cummings Christine Anne Tudor-Jones Taiwo Christopher Makanjuola Matthew John Neville Dr Michael Richer Revd Suzanne Shortman (appointed 30 September 2022) Martin Stokes Peter Malcolm Woodall Deacon Ruth Brenda Yorke Elizabeth Barbara Cummings Revd Neil Wharrier Johnson (resigned 31 August 2022)
Charity registered number	1153980
Principal office	Carrs Lane Birmingham B4 7SX
Accountants	Dains Audit Limited 15 Colmore Row Birmingham B3 2BH
Bankers	CAF Bank Limited West Malling Kent ME19 4TA
Solicitors	Veale Wasbrough Vizards LLP Second Floor 3 Brindley Place Birmingham B1 2JB Keeleys - Solicitors for employment issues 28 Dam Street Lichfield WS13 6AA
Investment advisers	Quilter Cheviot 2 Snowhill Birmingham B4 6GA

**Trustees' report
For the year ended 31 March 2023**

The Trustees present their annual report together with the financial statements for The Church at Carrs Lane (the charity) for the year ended 31 March 2023. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard 102.

Objectives and activities

● **Policies and objectives**

In furtherance of our charitable objects, it is our mission to be a community of Christians which seeks to respond honestly and imaginatively to the challenge to live out the Christian life in the centre of a 21st century city. As part of our becoming a Local Ecumenical Partnership (LEP) the following Guiding Principles have been adopted by Trustees and approved by Church Meeting:

Guiding principles

Together we seek to embody what it means to proclaim God incarnate at the heart of Birmingham as:

- We aim to be the body of Christ, by means of the common life of our diverse congregations and throughout the location as a strategic centre for Christian mission and service.
- We seek to demonstrate 'koinonia' (communion/community/contribution) as a true model of Church and City. We believe in Church that is based around relationships and we commit ourselves to the nurturing and intentional Christian Community at Carrs Lane.

Therefore:

- We endeavour to offer relevant and accessible Christian worship which gives voice to the hopes and yearnings of the people of the city.
- We strive relentlessly for justice, peace and care for all God's Creation, but with a specific focus on the concerns of the city centre; we have a responsibility to respond to the rhythms of the city.
- We acknowledge the responsibilities of our prophetic role, and aim to be challenging, comforting and resourcing the wide city, not least through offering space for people to engage in urban theological reflection.
- We commit ourselves for releasing and resourcing new opportunities for creative ministries, including the development and sustenance of chaplaincies in the city centre.
- We will continue the ministry of hospitality in its many forms.

Objectives and activities (continued)

• Achievements and performance

Review of activities

The Church at Carrs Lane holds the assets of the former Carrs Lane Church Centre and Birmingham Methodist City Mission (BMCM). The Church at Carrs Lane acts as the managing trustee for the former investment portfolio of BMCM held by the Trustee for Methodist Church Purposes. A significant part of those investments has been used in past years to fund the refurbishment of Dale House and make other improvements to the building.

The activities of the Church were necessarily curtailed during the Covid-19 Pandemic and subsequent lockdowns. The Church website was regularly updated and gave details of The Church at Carrs Lane and related activities.

Until September 2020, the wholly owned trading company 'Carrs Lane Conference Centre Limited' had responsibility for the day to day management of the meeting room hire business, day to day supervision of employees and the building. From September 2020, these functions transferred directly to the Church. In early 2022 the Trustees concluded that the conference activity was not likely to return to its pre-lockdown levels in the medium term and the possibility of significant lettings was also slim. They resolved, therefore, that the Church conference activity and lettings would be largely ceased after the end of August 2022 and a further four staff were made redundant at this time. The Church building continued to be overseen by a part-time manager supported by volunteers from the congregation.

There was a notable reduction of five members in the year to 31st December 2022 leaving a total of 56 members. Average Sunday morning attendance was 33 people per week, which continues to include regular non-members and a number of visitors. Services also continued to be streamed on line. There also continued to be a service on Wednesday lunchtimes, including communion and a ministry of prayer responding to requests from the wider community. A good pastoral system enables the Church to keep in touch with others who are no longer able to worship with us. Other activities have continued online where possible but many have not been able to meet. The Church has sought to maintain and develop links with partner organisations and provide support through chaplaincy and practical work.

The Revd Cristina Cipriani continued to serve as URC minister in a joint pastorate with Digbeth-in-the-Field URC in Yardley. The Revd Dr Neil Johnson continued to serve as Methodist Minister in addition to his wider responsibilities in the Birmingham Methodist Circuit.

As far as possible, our Methodist Deacon, Ruth Yorke, continued with city centre engagement and mission connections with a range of partners, some of whom use our Partnership Room and other parts of the premises. She engages with Birmingham Christian Homelessness Forum, which is useful in knowing more about what provision and issues are in the city centre. She is also spending time enabling us to increase our engagement with the City Centre through City Centre Churches Together and other groups.

Revd Elaine Hutchinson, the team leader of the Retail Chaplaincy, continued to co-ordinate retail chaplaincy in city centre retail areas, and explore new ways of responding to the difficult situations during and following lockdown.

A permanent children's area in the main church room makes clear the value placed on our younger members. Latterly focus has been on encouraging and supporting young families as there are no older young people attending junior church at present.

The young adults' group (which includes students of varying ages as well as young professionals) met regularly online, and occasionally in person, and is generally led by the members. The group also led some worship services during the year.

The Church at Carrs Lane

Trustees' report (continued) For the year ended 31 March 2023

Objectives and activities (continued)

The Carrs Lane Lived Community ended during the year. The Church was grateful for its ministry of regular prayer, as well as involvement in a variety of projects supporting different groups in the city, and campaigning on peace and social justice issues.

The Church engages with the refugee community through meeting with groups from the Britannia Hotel, and partnerships with a number of other organisations.

The Street Banquet for members of the homeless community and other vulnerable adults continued, and from September 2022 became a Church at the Margins project of the Birmingham Methodist District.

As part of the changes made in 2022, the former bookshop was opened as a Mission Space enabling a number of partner organisations to continue to meet regularly on the premises and engage with refugee, homeless, and LGBTQI+ communities.

The Church engages with a wide number of other groups in the city centre including City Centre Churches Together, particularly through the Good Friday ecumenical walk of witness, Birmingham Pride with 'Christians at Pride Birmingham', the Aston and Nechells Foodbank, Inclusive Gathering Birmingham, and Pray24Brum.

As a church we continue to work on different aspects of inclusion, including anti-racism. Carrs Lane, is a church which is open to discussion and sharing different ideas without judgement, and is a safe place for people who are LGBT+, so this is important to who we are and why people 'look us up'. We are still exploring the depths of people's experiences and how we move from inclusion and belonging to solidarity and deeper understanding.

Public benefit

In reviewing the year, the Trustees have taken into account the Charity Commission's guidance on public benefit and the two principles that:

- There must be an identifiable benefit or benefits, and
- The benefit must be to the public or a section of the public

They have also considered the specific guidance on charities for the advancement of religion.

The Trustees believe that The Church at Carrs Lane provides identifiable benefits which are open to all who wish to participate in its life and development.

Attendance at the Church's activities is open to all, although anyone wishing to become a member does so on a profession of faith according to the practices of the LEP.

No private benefit accrues. It should be noted that unpaid members of the resident community, while receiving a benefit of accommodation, return that benefit through the contribution they make to the work and mission of the Church, which is a condition of their residence.

Trustees' report (continued)
For the year ended 31 March 2023

Financial review

• **Reserves policy**

General purposes fund

Object: To use income arising from the activities of The Church at Carrs Lane to support the charitable objects to advance the Christian religion in accordance with the doctrines, principles and usages of the Church in accordance with the terms of the Local Ecumenical Partnership.

Reserves policy: Unrestricted funds are needed to assist with a proper stewardship of the Church's assets and to help cover related administration costs. The Trustees consider it prudent to have adequate working capital to enable its activities to proceed unhindered. At 31 March 2023 the balance in this fund was £81,059 (2022 - £135,248) and the Trustees consider this to be adequate for that purpose.

Youth fund

Object: Funds were given to assist the Church with youth work.

Reserves policy: A designated fund that can only be expended on projects which benefit children, young people or young adults up to the age of thirty years. Those benefiting may be children of the congregation, members of the congregation or anyone under the age of thirty for whom it is deemed appropriate. At 31 March 2023 the balance in this fund was £2,787 (2022 - £2,787).

Investment portfolio

Object: Funds mainly contributed by Carrs Lane Church Centre and subsequent legacies. The Trustees have resolved to invest funds arising from previous legacies and other sources in order to provide a source of income to support the Church's charitable objects.

Reserves policy: A designated fund that can only be invested ethically as determined by the Trustees in order to provide an income source. Currently, on the recommendation of the Finance Committee, the funds are externally managed on a discretionary basis. At 31 March 2023 the balance in this fund was £690,590 (2022 - £855,309).

Tangible fixed assets

Objects: To reflect previous expenditure on the building and fixtures and fittings by the Trustees in order to enhance the premises for the purposes of meeting the Church's charitable objects.

Reserves policy: A designated fund which matches the depreciated book value of tangible fixed assets, reflecting the historic spending on improvements to the building rather than resources available for future use. At 31 March 2023 the balance in this fund was £13,149 (2022 - £20,424).

Funds held by The Trustees for Methodist Church Purposes

Objects: These funds represent those funds contributed by Birmingham Methodist City Mission to the Local Ecumenical Partnership ("LEP") which are held by the Trustees for Methodist Church Purposes.

Reserves: A restricted fund that can be used in the furtherance of mission in the City Centre which falls within the charity's objects but if applied for improvement/development of the church building, would be restricted to the extent that on dissolution of the LEP the Methodist Church would hold a charge over the property for a sum equivalent to the amount spent on the building. At 31 March 2023 the balance in this fund was £113,507 (2022 - £100,001).

Trustees' report (continued)
For the year ended 31 March 2023

Review of finances

The 2022/23 accounts continue to show the dramatic financial impact of the Covid 19 pandemic, and the substantial reduction of conference business previously run by Carrs Lane Conference Centre Ltd. The Church applied a further £80k, from resources transferred from the two founding churches, to support and enhance the ministry and mission of the Church and to manage cash flow.

The Church reluctantly made a second group of employees redundant at the end of August 2022, and also substantially reduced the level of activity at the Church and use of the building in order to make other cost savings. The Churches investments reduced in value by £151k.

Overall, the net total funds of the Church reduced by a further £213k from £1.114m to £0.901m at 31 March 2023. Excluding the drawdown of investments, and depreciation, the underlying loss for the year is £285k (2022 - £200k loss). The Trustees continue to review the Church's financial position, reduce the scale of activities and identify other cost savings.

Structure, governance and management

● **Constitution**

The Church at Carrs Lane is a Single Congregation Local Ecumenical Partnership between Carrs Lane Church Centre and Birmingham Methodist City Mission. It was created on 14 July 2013 as a registered charity, number 1153980. This body became active on 1 April 2014 taking over the worship-related activities of Carrs Lane Church Centre, with the transfer of assets of Carrs Lane Church Centre following on 1 July 2014 together with the assets of its Methodist Partner on 1 September 2014.

For the purposes of formalising the arrangements for maintaining the URC owned building, a sharing agreement had already been created on 26 March 2014 between the United Reformed Church (West Midlands) Trust Limited and the Birmingham Methodist City Mission. A deed amending the provisions of the sharing agreement was created on 31 October 2017. A joint council meeting with representation from both denominations meets annually to oversee and approve transactions.

● **Methods of appointment or election of Trustees**

The Trustees are appointed by the Church Members by postal ballot to ensure that all members are able to vote if they wish.

● **Organisational structure and decision-making policies**

Trustees have met monthly throughout the year. Aware of their responsibilities under Charity Law, the Trustees are also acting in accordance with the structures of the United Reformed and Methodist Churches, and take into account the important role of such bodies as the Church Officers, Church Meeting and Finance Committee.

The Trustees retain ultimate authority for the running and wellbeing of the Church, but in practice various bodies act on their authority. The Finance Committee oversees the investment portfolios, makes recommendations regarding a budget, and monitors income and expenditure. The Trustees receive regular financial reports from those meetings. The Trustees also formally approve the budget and financial statements and ensure that these are presented at the Annual Business Meeting of the Church in September.

The Trustees are responsible for the appointment of their advisers and review their appointment annually. Andy Morris of Dains Audit Limited has acted as our independent examiner. Quilter Cheviot act as investment manager. Veale Wasborough Vizards LLP acts as main solicitor and Keelys LLP advises on employment matters.

Structure, governance and management (continued)

• Related party relationships

Be.friend city centre retail chaplaincy

Reverend Elaine Hutchinson continues her valued role as team leader of volunteer chaplains and was formally inducted as a minister of The Church at Carrs Lane in 2019. This important and valued ministry continues to be funded by the Anglican Church, Birmingham Methodist Circuit and The Church at Carrs Lane.

Carrs Lane Counselling Centre, a separate charity operating in the premises, continues its valuable work, by offering a first class BCAP accredited counselling service to adults, though raising sufficient funds to support its work has become significantly more difficult. Members of the Church serve on its governing body. It provides a minimal cost service and is an outworking of the church's commitment to the city in the light of its mental health needs.

The Church has been represented at the **United Reformed Church West Midlands Synod**, and also at the **Birmingham Circuit Assembly** and the **Birmingham District Synod of the Methodist Church**.

The Church at Carrs Lane continues to receive a significant annual grant from **Joseph Scott's Chapel Charity**. Members of the Church serve as representative trustees of the charity.

Plans for future periods

The Church continues to explore, through prayer and discernment, the way forward in the light of the significant changes which have occurred during the last few years. Towards the end of 2022 and in early 2023 the Church appointed professional advisors to work on a redevelopment project. Church building requirements had been discussed in some detail in 2022 and these have been worked up into possible future plans. During 2023 the Church has had conversations with Birmingham City Council, who own the green space next to the Church and who have been developing strategic planning objectives for the area, about the possibility of a joint project. Working together with the sponsoring Churches and other partners, the Trustees will continue to pursue these redevelopment options in order to maintain the Church's mission and ministry into the future.

Trustees' report (continued)
For the year ended 31 March 2023

Statement of 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 & Wales requires the 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Peter Malcolm Woodall
Trustee

Date: 24 April 2024

**Independent Examiner's Report
For the year ended 31 March 2023**

Independent Examiner's Report to the Trustees of The Church at Carrs Lane ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2023.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent Examiner's Statement

Your attention is drawn to the fact that the Charity has prepared the accounts 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).

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 24 April 2024

Andrew Morris FCA

Dains Audit Limited
Birmingham

Statement of financial activities
For the year ended 31 March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	96,353	-	96,353	80,503
Charitable activities	4	67,812	-	67,812	93,851
Investments	5	39,302	-	39,302	41,034
Other income	6	-	-	-	112,761
Total income		203,467	-	203,467	328,149
Expenditure on:					
Raising funds		5,937	-	5,937	6,928
Charitable activities	7	343,001	-	343,001	995,057
Total expenditure		348,938	-	348,938	1,001,985
Net expenditure before investments		(145,471)	-	(145,471)	(673,836)
Net (losses)/gains on investments		(80,712)	13,506	(67,206)	96,509
Net movement in funds		(226,183)	13,506	(212,677)	(577,327)
Reconciliation of funds:					
Total funds brought forward	16	1,013,768	100,001	1,113,769	1,691,096
Net movement in funds		(226,183)	13,506	(212,677)	(577,327)
Total funds carried forward	16	787,585	113,507	901,092	1,113,769

The notes on pages 12 to 30 form part of these financial statements.

The Church at Carrs Lane
Registered number: 1153980

Balance sheet
As at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	13,149	20,424
Investments	13	804,097	955,310
		817,246	975,734
Current assets			
Debtors	14	47,407	185,930
Cash at bank and in hand		68,179	37,471
		115,586	223,401
Creditors: amounts falling due within one year	15	(31,740)	(85,366)
Net current assets		83,846	138,035
Total net assets		901,092	1,113,769
Charity funds			
Restricted funds	16	113,507	100,001
Unrestricted funds	16	787,585	1,013,768
Total funds		901,092	1,113,769

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Peter Malcolm Woodall
Trustee

Date: 24 April 2024

The notes on pages 12 to 30 form part of these financial statements.

Notes to the financial statements
For the year ended 31 March 2023

1. General information

The Church at Carrs Lane is an unincorporated charitable trust registered with the Charity Commission in England and Wales with registered number 1153980. The registered office is shown on page 1. The principal activity of the charity is the advancement of the Christian faith in Birmingham in accordance with the principles and practices of the participating churches.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Church at Carrs Lane 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.

2.2 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the contribution of church members and friends to the work set out in the Trustees' report is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.2 Income (continued)

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Properties

The properties in use by The Church at Carrs Lane are registered in the name of The United Reformed Church (West Midlands) Trust Limited but held for the benefit of the Church. For this reason the cost of the properties is not reflected in the financial statements. Any capital works undertaken by the Church are capitalised and depreciated in accordance with the policy below.

**Notes to the financial statements
For the year ended 31 March 2023**

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Property improvements	- Over 10 years
Fixtures and fittings	- Over 5 years
Piano	- Over 15 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements
For the year ended 31 March 2023

3. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations			
Offertories	36,835	36,835	34,539
Other donations	2,799	2,799	2,928
Grants			
Joseph Scott's Chapel Charity	18,000	18,000	15,729
Church of England and Methodist Circuit contributions to retail chaplaincy	14,719	14,719	9,072
Methodist Circuit grant	7,000	7,000	12,859
Donations from trading subsidiary	-	-	5,376
Legacies	17,000	17,000	-
	<u>96,353</u>	<u>96,353</u>	<u>80,503</u>

The income in 2022 was wholly attributable to unrestricted funds.

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rental income	67,812	67,812	79,505
Coronavirus Job retention scheme	-	-	14,346
	<u>67,812</u>	<u>67,812</u>	<u>93,851</u>

The income in 2022 was wholly attributable to unrestricted funds.

Notes to the financial statements
For the year ended 31 March 2023

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Dividend income	39,080	39,080	40,822
Bank interest	222	222	212
	<u>39,302</u>	<u>39,302</u>	<u>41,034</u>

The income in 2022 was wholly attributable to unrestricted funds.

6. Other income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Business interruption insurance claim	-	-	112,761
	<u>-</u>	<u>-</u>	<u>112,761</u>

The income in 2022 was wholly attributable to unrestricted funds.

**Notes to the financial statements
For the year ended 31 March 2023**

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activities	209,793	-	133,208	343,001	995,057
Total 2022	224,298	30,000	740,759	995,057	

The expenditure on charitable activities in 2023 and 2022 was wholly attributable to unrestricted funds.

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	34,117	34,778
Depreciation	7,275	8,763
Ministry and mission contributions to URC/Methodist	60,751	90,830
Manse expenses	1,582	393
Pulpit, worship and pastoral supplies	38	281
Mission activities	2,377	1,418
Publicity and website	215	11
Musicians and music	1,184	3,562
Redevelopment project	20,016	-
Utilities and rates	43,994	37,184
Cleaning and refuse	2,262	4,891
Insurance	7,744	7,515
General maintenance	22,495	24,554
Catering purchases	5,132	4,780
City Centre chaplaincy administrative costs	611	5,338
	209,793	224,298

Notes to the financial statements
For the year ended 31 March 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	103,976	127,451
Staff recruitment and training	618	-
Legal and professional	4,330	8,737
Office and communication costs	20,984	14,468
Independent examiner and accountancy fees	3,300	8,172
Exceptional item (Note 11)	-	581,931
	133,208	740,759

8. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £	Total funds 2022 £
Grants	-	-	30,000

**Notes to the financial statements
For the year ended 31 March 2023**

9. Staff costs

	2023 £	2022 £
Wages and salaries	132,220	152,344
Social security costs	3,657	6,934
Pension costs	2,216	2,951
	138,093	162,229

In August 2022, the Church made 4 staff redundant. The total redundancy payments made were £19,276 (2022 - £Nil).

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Administration	1	2
Premises	2	5
Musicians	1	1
Retail Chaplain	1	1
	5	9

No employee received remuneration amounting to more than £60,000 in either year.

All staff were jointly employed by the Church and the trading subsidiary up until when the trading subsidiary closed. Salary costs are apportioned by use of resources.

All key management personnel (being the Trustees) act in a voluntary capacity and are not remunerated.

Included in the wages and salaries cost above is £34,117 (2022 - £34,778), being the salary of the Retail Chaplain whose position is part funded by the Church of England and Methodist Circuit, with the balance being met from Church resources.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

**Notes to the financial statements
For the year ended 31 March 2023**

11. Exceptional items

The exceptional item shown in the prior year relates to the impairment of property assets as set out below.

In accordance with the Church's Accounting Policies (notes 2.5 and 2.6 above), capital works undertaken by the Church have been capitalised and depreciated as they enhance not only the value of the building but also the Church's potential to generate income through the use of the premises.

The dramatic impact of changes arising from the Covid 19 pandemic mean that the Church has had to make significant decisions about the future of the building. In June 2021 the Trustees determined that the church building was no longer fit for the purpose of the Church, and that the financial model which is reliant on external income from lettings and room hire was no longer sustainable.

During the end of 2021 and the early part of 2022 it became clear that the conference business would not revert to anything near the levels pre-lockdown, and that a deficit was arising from continuing to attempt to run this business. Therefore, the Trustees decided in January 2022 to cease room hire, and close Dale House and other parts of the building, from 31/8/22 and make further staff redundant. The Trustees have subsequently progressed plans to redevelop the Church on the current site in partnership with others.

As a consequence of these decisions, the Book Value of the property related tangible fixed assets is deemed to be greater than the Recoverable Amount. This is because the Church has ceased to let and use the Dale House block and is no longer deriving significant income from the remainder of the building. In the event of disposal of the building the Church will not directly receive the proceeds of sale. It has been determined, therefore, that it is appropriate to impair the value of the property assets on the Church's balance sheet to nil and for this to be shown as an exceptional item in the Statement of Financial Activities.

**Notes to the financial statements
For the year ended 31 March 2023**

12. Tangible fixed assets

	Property improvements £	Fixtures and fittings £	Total £
Cost			
At 1 April 2022	1,618,631	176,430	1,795,061
At 31 March 2023	1,618,631	176,430	1,795,061
Depreciation			
At 1 April 2022	1,618,631	156,006	1,774,637
Charge for the year	-	7,275	7,275
At 31 March 2023	1,618,631	163,281	1,781,912
Net book value			
At 31 March 2023	-	13,149	13,149
At 31 March 2022	-	20,424	20,424

Notes to the financial statements
For the year ended 31 March 2023

13. Fixed asset investments

	Investments in subsidiary company £	Listed investments £	Cash £	Total £
Cost or valuation				
At 1 April 2022	1	945,710	9,599	955,310
Additions	-	173,140	-	173,140
Disposals	-	(256,159)	(988)	(257,147)
Revaluations	-	(67,206)	-	(67,206)
At 31 March 2023	1	795,485	8,611	804,097
Net book value				
At 31 March 2023	1	795,485	8,611	804,097
At 31 March 2022	1	945,710	9,599	955,310

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Holding
Carrs Lane Conference Centre Limited	09048871	100%

Carrs Lane Conference Centre Ltd did not trade during the year and was dissolved on 22 August 2023.

**Notes to the financial statements
For the year ended 31 March 2023**

14. Debtors

	2023	2022
	£	£
Trade debtors	18,250	15,158
Other debtors	6,800	126,135
Prepayments and accrued income	22,357	44,637
	47,407	185,930

Debtors includes £8,855 owing from Carrs Lane Counselling Centre (2022 - £12,846).

15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	10,631	19,266
Other taxation and social security	2,016	3,082
Other creditors	513	807
Accruals and deferred income	18,580	62,211
	31,740	85,366

Notes to the financial statements
For the year ended 31 March 2023

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Youth Fund	2,787	-	-	-	-	2,787
Tangible fixed assets	20,424	-	(7,275)	-	-	13,149
Fixed asset investments	855,309	-	-	(84,007)	(80,712)	690,590
	<u>878,520</u>	<u>-</u>	<u>(7,275)</u>	<u>(84,007)</u>	<u>(80,712)</u>	<u>706,526</u>
General funds						
General funds	<u>135,248</u>	<u>203,467</u>	<u>(341,663)</u>	<u>84,007</u>	<u>-</u>	<u>81,059</u>
Total Unrestricted funds	<u>1,013,768</u>	<u>203,467</u>	<u>(348,938)</u>	<u>-</u>	<u>(80,712)</u>	<u>787,585</u>
Restricted funds						
Funds held by Trustees for Methodist Church Purposes	<u>100,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,506</u>	<u>113,507</u>
Total of funds	<u><u>1,113,769</u></u>	<u><u>203,467</u></u>	<u><u>(348,938)</u></u>	<u><u>-</u></u>	<u><u>(67,206)</u></u>	<u><u>901,092</u></u>

Notes to the financial statements
For the year ended 31 March 2023

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
Youth Fund	2,787	-	-	-	-	2,787
Tangible fixed assets	611,118	-	(590,694)	-	-	20,424
Fixed asset investments	907,972	-	-	(143,442)	90,779	855,309
	<u>1,521,877</u>	<u>-</u>	<u>(590,694)</u>	<u>(143,442)</u>	<u>90,779</u>	<u>878,520</u>
General funds						
General funds	<u>74,948</u>	<u>328,149</u>	<u>(411,291)</u>	<u>143,442</u>	<u>-</u>	<u>135,248</u>
Total Unrestricted funds	<u>1,596,825</u>	<u>328,149</u>	<u>(1,001,985)</u>	<u>-</u>	<u>90,779</u>	<u>1,013,768</u>
Restricted funds						
Funds held by Trustees for Methodist Church Purposes	<u>94,271</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,730</u>	<u>100,001</u>
Total of funds	<u><u>1,691,096</u></u>	<u><u>328,149</u></u>	<u><u>(1,001,985)</u></u>	<u><u>-</u></u>	<u><u>96,509</u></u>	<u><u>1,113,769</u></u>

**Notes to the financial statements
For the year ended 31 March 2023**

16. Statement of funds (continued)

Youth fund

Funds were given to assist the Church with youth work.

Funds held by the Trustees for Methodist Church Purposes

These funds represent those funds contributed by Birmingham Methodist City Mission to the Local Ecumenical Partnership ("LEP") which are held by the Trustees for Methodist Church Purposes.

The funds can be used in furtherance of mission in the City Centre which falls within the charity's objects but if applied for improvement/development of the church building, would be restricted to the extent that on dissolution of the LEP the methodist church would hold a charge over the property for sums equivalent to the amount spending on the building.

Transfers between funds

The transfer from the restricted fund to unrestricted funds is following approval of the Trustees for Methodist Church purposes to release funds primarily for capital projects but also to support the general purposes of the Church.

The Trustees have reviewed the designated fund categorisations and taken the decision to separate tangible fixed assets and fixed asset investments into separately identifiable funds with the result that the unrestricted general fund more clearly demonstrates the readily available funds for general operational purposes.

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	13,149	-	13,149
Fixed asset investments	690,590	113,507	804,097
Current assets	115,586	-	115,586
Creditors due within one year	(31,740)	-	(31,740)
Total	787,585	113,507	901,092

Notes to the financial statements
For the year ended 31 March 2023

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	20,424	-	20,424
Fixed asset investments	855,309	100,001	955,310
Current assets	223,401	-	223,401
Creditors due within one year	(85,366)	-	(85,366)
Total	1,013,768	100,001	1,113,769

18. Pension commitments

The charity utilises a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,216 (2022 - £2,951) Contributions totalling £428 (2022 - £677) were payable to the fund at the balance sheet date and are included in creditors.

19. Other financial commitments

Expenditure of £20,016 is shown in 2022/23 on Redevelopment Project Costs. These are preliminary costs relating to the proposal that the Church building is demolished and a multi-use property built on the site which includes space for use by the Church and its partners. Initial work on surveys, Project Management and legal title has been undertaken. The Church continues to be in discussion with its sponsoring Churches, the City Council, and professional advisors to move the project forward.

As part of these developments the Church has entered into future commitments totalling £15,192 for further Project Management and Feasibility Studies in relation to the project.

The intention is that all costs relating to the Redevelopment Project will be recovered within the structure of the project but the necessary legal arrangements are not yet in place for this.

20. Related party transactions

Carrs Lane Lived Community

One trustee was a member of the Community and occupied a flat on the Church premises rent free until 31 August 2022, returning that benefit through contribution to the work and mission of the Church, which was a condition of residence. The trustee was a member of the Community prior to appointment as a trustee.

Carrs Lane Conference Centre

Carrs Lane Conference Centre Limited, the wholly owned subsidiary ceased to operate on 31st August 2020. All on-going business, assets and liabilities were transferred to the Church prior to 2021/22. The company was dissolved by Companies House in August 2023.

Joseph Scott's Chapel Charity

The Church at Carrs Lane is a specified beneficiary of the Joseph Scott's Chapel Charity and four members of the Church serve as trustees of this charity. During the year a grant of £18,000 (2022 - £15,729) was confirmed. At the year end £Nil (2022 - £3,729) was outstanding.

Carrs Lane Counselling Centre

During the year the Church received rents of £10,534 (2022: £5,773) and £2,286 (2022: £1,574) for other services from Carrs lane Counselling Centre, a charity of which two of the trustees are also trustees. The Church manages and pays the salaries of Counselling Centre staff which are reimbursed. In the Church 2021/22 accounts, it was reported that the Trustees had resolved to make a grant in support of the work of the Counselling Centre of £30,000. It has subsequently been identified that this decision was made in 2020/21 and the first instalment of £10,000 was made in that financial year. The liability of £30,000 in the 2021/22 accounts was therefore overstated and £10,000 has been written back in 2022/23. During 2022/23, the Church Trustees paid the final instalment of £10,000. Further investigation of the transactions between the Church and Counselling Centre has also shown that the debtor at 31/3/22 was also overstated by £12,846 and this amount has been written off in 2022/23.

21. Local Ecumenical Partnership

When Carrs Lane Church Centre and Birmingham Methodist City Mission came together as a Local Ecumenical Partnership and transfer the assets to The Church at Carrs Lane, their respective contributions were deemed to form part of "the Common Fund" to be used in furtherance of the charitable purposes of the charity. In the event that the partnership were to cease then the funds would be split between the Methodist and United Reformed Church based on the proportion contribution to the Common Fund.

Where Methodist funds in excess of £100,000 are used to improve the building (which is a United Reformed Church property) then this represents a capital contribution and would no longer form part of the Common Fund contribution.

On 31 October 2017 representatives of the two denominations entered into a Deed to vary the Sharing Agreement between them in respect of the capital contributions. Under this Deed, as at 31 March 2021, capital contributions totalling £632,159 have been made from the Methodist funds and accordingly the Methodist Share of the open market value of the property is 18.15%.

Notes to the financial statements
For the year ended 31 March 2023

Appendix I - Capital contributions and withdrawals to the Local Ecumenical Partnership

	United Reformed Church		Methodist	
	%	£	%	£
Year ended 2015				
Common fund contribution		1,361,952		1,134,657
Carried forward	55	1,361,952	45	1,134,657
Year ended 2016				
Common fund contribution				70,112
Carried forward	53	1,361,952	47	1,204,769
Year ended 2017				
Common fund contribution				(121,215)
Carried forward	56	1,361,952	44	1,083,554
Year ended 2018				
Common fund contribution				(340,055)
Carried forward	65	1,361,952	35	743,499
Year ended 2019				
Common fund contribution				(149,557)
Carried forward	70	1,361,952	30	593,942
Year ended 2020				
Common fund contribution				(21,331)
Carried forward	70	1,361,952	30	572,611
Year ended 2021				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611
Year ended 2022				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611
Year ended 2023				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611

THE CHURCH AT CARRS LANE

England & Wales - Charity number 1153980

Accounts

The Church at Carrs Lane

Trustees' Report and Financial Statements

For the year ended 31 March 2022



The Church at Carrs Lane

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The Church at Carrs Lane

Reference and Administrative Details of the Charity, its Trustees and Advisers For the year ended 31 March 2022

Trustees	Caroline Ruth Ambler Joe Bullen (appointed 22 February 2022, resigned 31 December 2022) Revd Anna Cristina Cipriani Peter Mervyn Cummings (appointed 19 January 2022) Christine Anne Tudor-Jones Taiwo Christopher Makanjuola Matthew John Neville Dr Michael Richer (appointed 1 January 2022) Revd Suzanne Shortman (appointed 30 September 2022) Martin Stokes Peter Malcolm Woodall Deacon Ruth Brenda Yorke Elizabeth Barbara Cummings (appointed 1 January 2022) Revd Neil Wharrier Johnson (resigned 31 August 2022) Steph Neville (resigned 31 December 2021) Janis Mary Scott (resigned 31 December 2021) Andrew Thomas Veitch (resigned 31 December 2021) Christopher David Yorke (resigned 31 August 2021)
Charity registered number	1153980
Principal office	Carrs Lane Birmingham B4 7SX
Accountants	Dains Audit Limited 15 Colmore Row Birmingham B3 2BH
Bankers	CAF Bank Limited West Malling Kent ME19 4TA
Solicitors	Veale Wasbrough Vizards LLP Second Floor 3 Brindley Place Birmingham B1 2JB Keeleys - Solicitors for employment issues 28 Dam Street Lichfield WS13 6AA
Investment advisers	Quilter Cheviot 2 Snowhill Birmingham B4 6GA

**Trustees' report
For the year ended 31 March 2022**

The Trustees present their annual report together with the financial statements for The Church at Carrs Lane (the charity) for the year ended 31 March 2022. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard 102 as updated by SORP Bulletin 1.

Objectives and activities

a. Policies and objectives

In furtherance of our charitable objects, it is our mission to be a community of Christians which seeks to respond honestly and imaginatively to the challenge to live out the Christian life in the centre of a 21st century city. As part of our becoming a Local Ecumenical Partnership (LEP) the following Guiding Principles have been adopted by Trustees and approved by Church Meeting:

Guiding principles

Together we seek to embody what it means to proclaim God incarnate at the heart of Birmingham as:

- We aim to be the body of Christ, by means of the common life of our diverse congregations and throughout the location as a strategic centre for Christian mission and service.
- We seek to demonstrate 'koinonia' (communion/community/contribution) as a true model of Church and City. We believe in Church that is based around relationships and we commit ourselves to the nurturing and intentional Christian Community at Carrs Lane.

Therefore:

- We endeavour to offer relevant and accessible Christian worship which gives voice to the hopes and yearnings of the people of the city
- We strive relentlessly for justice, peace and care for all God's Creation, but with a specific focus on the concerns of the city centre; we have a responsibility to respond to the rhythms of the city
- We acknowledge the responsibilities of our prophetic role, and aim to be challenging, comforting and resourcing the wide city, not least through offering space for people to engage in urban theological reflection
- We commit ourselves for releasing and resourcing new opportunities for creative ministries, including the development and sustenance of chaplaincies in the city centre
- We will continue the ministry of hospitality in its many forms.

Objectives and activities (continued)

b. Achievements and performance

Review of activities

The effects of Covid continue to affect our mission and ministry at The Church at Carrs Lane. Some of our once-regular members have not felt able to return to meeting together. Some still join online, worshipping with the church via the livestream, often watched at different points during the week.

There is plenty of hope and still busyness, but not 'as it was'. We mark that the Lived Community ended this year, after offering 9 years of ministry and prayer in the city centre. They have been involved in leading regular prayer, in campaigning, and offering time in important ways in the city.

These are some of the things we are still involved in as a church. They are not in a particular order.

Junior church. Junior church has grown recently, now having 2 families, with 5 children. We have restarted the leaders' rota and are delighted to have children back amongst the church.

Prayer ministry. This happens in many ways – and perhaps primarily through the Wednesday lunchtime service, where prayer requests from the public and from the church, are shared and people are prayed for regularly, and a card is sent to those on the other regular prayer list. Those who attend stay on for fellowship, shared chat, tea and snack. Also, through an email prayer network, led by 2 church members, who communicate prayer requests with others in the church.

Central house group. This continues to meet on the 3rd Wednesday each month, still on Zoom, and provides Bible Study, discussion and fellowship.

Pray24Brum. In January 2022, we hosted 'pray 24 Brum', enabling prayer from 8am – 8pm on the Friday and Saturday. We hosted the start with a breakfast and took part at other times.

Students and young adults. We continue to welcome students, and have had 2 new students recently who seem keen to stay, one is exploring transferring membership to Carrs Lane. Young people's online group has latterly become more random as the students and young adults have been more able to get out about and are less often 'in' in the evenings! We still do meet, just not as regularly as during lockdown. Some of our young adults have (inevitably) moved on to jobs around the country, and one has returned to China. 2 students are living elsewhere temporarily this year and we hope they will return to Birmingham (and Carrs Lane) next year. There are also 2 'new' slightly older 'young adults' who have become part of Carrs Lane.

Bible study/'reading and living the gospels': we started a Zoom group looking at the gospel passage for the coming Sunday, using a format similar to lectio divina, where the reading is read several times and we each look at how God is speaking with us, challenging us, calling us to action. These have been very good. There has been a break in these but they are restarting with an Advent series.

English Afternoon. After the Stone Road hostel closed during covid, we worked with contacts in Migrant Help and started going into Britannia Hotel in New Street and meeting people seeking asylum, going for a walk, and coming back to Carrs Lane for tea/cakes/fruit/language practice. This goes well when folk come along, but there are general issues (for us and for refugee/asylum seeker agencies) with engagement with people staying at Britannia. We are currently looking for a new way to make this work as the will to meet with people and offer hospitality is there. This work is done together with Birmingham Progressive Synagogue.

The Church at Carrs Lane

Trustees' report (continued) For the year ended 31 March 2022

Objectives and activities (continued)

Mission Space and Room 3. These are now being used by Crisis Skylight, Craunston, Journey, 'Jobz' job club, and Stories of Hope and Home. Our recognition that we cannot serve these people ourselves, but can make space for others to do so, means we share space with these organisations. Since September 2022 they have begun to make a contribution towards the heating/lighting. We continue to try to engage with these groups so that they are partners in some way, not just 'using the room'. There is a particular criteria for which groups may use it, and it is only for direct service/support for clients/guests, not for staff training or meetings.

Good Friday walk of witness: It was wonderful to be able to do this in person this year, sharing with around 150 Christians, starting outside under the cross at The Church at Carrs Lane.

Carrs Lane Counselling Centre continues its valuable work by offering a first class BCAP accredited counselling service to adults, though raising sufficient funds to support its work has become significantly more difficult. It provides a minimal cost service and is an outworking of the church's commitment to the city in the light of its mental health needs.

Reverend Elaine Hutchinson continues her valued role as team leader of the Retail Chaplaincy based at Carrs Lane. She was formally inducted as a minister of The Church at Carrs Lane in 2019. With a group of volunteers chaplaincy is offered to a number of retail sites around the city centre including the Frankfurt Christmas Market.

Foodbank. Regular collections for the Aston and Nechells Foodbank continue. During lockdown a number of Carrs Lane members began to give regularly financially, as it was not possible to give food at that time. 2 members regularly take collected food donations to the foodbank.

Pride. We were able to go out at Pride in September 2022. Some were in the parade, and others greeted the parade from the roadside in Carrs Lane. This is much appreciated and has become part of Pride. We work together with Inclusive Gathering in organising this.

Players. This continues to meet online via Zoom on Fridays and reads through different plays. There is often much hilarity, and it engages some folk who do not access other church activities.

Livestream. We continue to livestream the Sunday morning services each week. Before the livestream begins, some church members still gather on Zoom to chat before the service begins on Facebook live. Social Media. We continue to use Facebook and now Instagram to share with people and communicate about church life and passions.

Street Banquet support. Street Banquet continued as a project at The Church at Carrs Lane during 2021/22 although since September 2022 it has become a project of the Birmingham Methodist District. It continues to be supported by volunteers including those from Carrs Lane. This project invites people who are either homeless or vulnerably housed, in for a sit-down meal once a month.

Worship in the foyer. Since early October, due to a water leak which affected the church electrics, we have been meeting for Sunday worship in the foyer. This has its challenges, and we are grateful for friends and another church which have lent us sound systems.

City Centre churches together. This continued to meet online during lockdown for prayer and sharing information and support. We've tried to re-establish meeting in person again with a recent prayer walk, but very few people came so we will keep working on this.

The external noticeboard This has enabled messages of support and hope, along with updates on whether/how we are meeting and continuing to give suggestions of where to find mental health and other support. We have also used what was the Fair Trade Shop window to set up a display about refugees and asylum seekers.

Objectives and activities (continued)

Public benefit

In reviewing the year, the Trustees have taken into account the Charity Commission's guidance on public benefit and the two principles that:

- There must be an identifiable benefit or benefits, and
- The benefit must be to the public or a section of the public

They have also considered the specific guidance on charities for the advancement of religion.

The Trustees believe that The Church at Carrs Lane provides identifiable benefits which are open to all who wish to participate in its life and development.

Attendance at the Church's activities is open to all, although anyone wishing to become a member does so on a profession of faith according to the practices of the LEP.

No private benefit accrues. It should be noted that unpaid members of the resident community, while receiving a benefit of accommodation, return that benefit through the contribution they make to the work and mission of the Church, which is a condition of their residence.

Trustees' report (continued)
For the year ended 31 March 2022

Financial review

a. Reserves policy

General purposes fund

Object: To use income arising from the activities of The Church at Carrs Lane to support the charitable objects to advance the Christian religion in accordance with the doctrines, principles and usages of the Church in accordance with the terms of the Local Ecumenical Partnership.

Reserves policy: Unrestricted funds are needed to assist with a proper stewardship of the Church's assets and to help cover related administration costs. The Trustees consider it prudent to have adequate working capital to enable its activities to proceed unhindered. At 31 March 2022 the balance in this fund was £135,248 (2021: £74,948) and the Trustees consider this to be adequate for that purpose.

Youth fund

Object: Funds were given to assist the Church with youth work.

Reserves policy: A designated fund that can only be expended on projects which benefit children, young people or young adults up to the age of thirty years. Those benefiting may be children of the congregation, members of the congregation or anyone under the age of thirty for whom it is deemed appropriate. At 31 March 2022 the balance in this fund was £2,787 (2021: £2,787).

Investment portfolio

Object: Funds mainly contributed by Carrs Lane Church Centre and subsequent legacies. The Trustees have resolved to invest funds arising from previous legacies and other sources in order to provide a source of income to support the Church's charitable objects.

Reserves policy: A designated fund that can only be invested ethically as determined by the Trustees in order to provide an income source. Currently, on the recommendation of the Finance Committee, the funds are externally managed on a discretionary basis. At 31 March 2022 the balance in this fund was £855,309 (2021: £907,972).

Tangible fixed assets

Objects: To reflect previous expenditure on the building and fixtures and fittings by the Trustees in order to enhance the premises for the purposes of meeting the Church's charitable objects.

Reserves policy: A designated fund which matches the depreciated book value of tangible fixed assets, reflecting the historic spending on improvements to the building rather than resources available for future use. At 31 March 2022 the balance in this fund was £20,424 (2021: £611,118).

Funds held by The Trustees for Methodist Church Purposes

Objects: These funds represent those funds contributed by Birmingham Methodist City Mission to the Local Ecumenical Partnership ("LEP") which are held by the Trustees for Methodist Church Purposes.

Reserves: A restricted fund that can be used in the furtherance of mission in the City Centre which falls within the charity's objects but if applied for improvement/development of the church building, would be restricted to the extent that on dissolution of the LEP the Methodist Church would hold a charge over the property for a sum equivalent to the amount spent on the building. At 31 March 2022 the balance in this fund was £100,001 (2021: £94,271).

Review of finances

The 2021/22 accounts continue to show the dramatic financial impact of the Covid 19 pandemic, and the substantial reduction of conference business previously run by Carrs Lane Conference Centre Ltd. The Church applied a further £140k, from resources transferred from the two founding churches, to support and enhance the ministry and mission of the Church and to manage cash flow.

These accounts do, however, include the full year cost reduction from the first round of redundancies made in the autumn of 2020 and other cost saving measures. The Church was also able to make a substantial claim for loss of income through business interruption and received £113k in December 2022. As this related to the period March 2020 to July 2021 it has been included in the 2021/22 accounts. The Churches investments improved in value by £96k.

Overall the net total funds of the Church reduced by a further £577k from £1.691m to £1.114m at 31 March 2022, although net useable reserves increased slightly to £1.093m (2021: £1.080m). The majority of this reduction arises from the impairment of property assets set out in Note 13. Excluding the drawdown of investments, depreciation, and the insurance funds, the underlying loss for the year is nearly £200k (2021: £332k loss). Whilst this is a marked improvement on the 2021 position, the Trustees continue to review the Church's financial position, reduce the scale of activities and identify other cost savings.

Structure, governance and management

a. Constitution

The Church at Carrs Lane is a registered charity, number 1153980, and is constituted under a Trust deed.

b. Methods of appointment or election of Trustees

The Trustees are appointed by the Church Members by postal ballot to ensure that all members are able to vote if they wish.

c. Organisational structure and decision-making policies

Trustees have met monthly throughout the year. Aware of their responsibilities under Charity Law, the Trustees are also acting in accordance with the structures of the United Reformed and Methodist Churches, and take into account the important role of such bodies as the Church Officers, Church Meeting and Finance Committee.

The Trustees retain ultimate authority for the running and wellbeing of the Church, but in practice various bodies act on their authority. The Finance Committee oversees the investment portfolios, makes recommendations regarding a budget, and monitors income and expenditure. The Trustees receive regular financial reports from those meetings. The Trustees also formally approve the budget and financial statements and ensure that these are presented at the Annual Business Meeting of the Church in September.

The Trustees are responsible for the appointment of their advisers and review their appointment annually. Andy Morris of Dains Audit Limited has acted as our independent examiner. Quilter Cheviot act as investment manager. Veale Wasborough Vizards LLP acts as main solicitor and Keelys LLP advises on employment matters.

Structure, governance and management (continued)

d. Related party relationships

Be.friend city centre retail chaplaincy. This is a project of Churches and Industry Group Birmingham – Solihull (Reg Charity 511711) based and managed at The Church at Carrs Lane. This important and valued ministry continues to be funded by the Anglican Church, Birmingham Methodist Circuit and The Church at Carrs Lane.

Carrs Lane Counselling Centre, a separate charity (Reg Charity: 1102628) operating in the premises was originally set up by the Church and Members of the Church serve on its governing body.

The Church has been represented at the **United Reformed Church West Midlands Synod** (Reg Charity : 507027), and also at the **Birmingham Methodist Circuit** (Reg Charity: 1132926) Assembly and the **Birmingham Methodist District Synod** (Reg Charity: 1134167).

The Church at Carrs Lane continues to receive a significant annual grant from **Joseph Scott's Chapel Charity** (Reg Charity: 233648). Members of the Church serve as representative trustees of the charity.

Plans for future periods

The Church continues to explore, through prayer and discernment, the way forward in the light of the significant changes which have occurred during this and the following year. The Church has concluded that the financial model, through which the Church activities are supported by conference business, will not recover. Also that the current building is no longer fit for purpose. Consequently, the Church has considered future options for redevelopment of the site and in the autumn of 2022 began to engage with professional advisors to develop this scheme. The mission and ministry of the Church will continue as the Church works on this project.

Trustees' report (continued)
For the year ended 31 March 2022

Structure, governance and management (continued)

Statement of 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 & Wales requires the 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 15 December 2023 and signed on their behalf by:

Peter Woodall
(Trustee)

**Independent Examiner's Report
For the year ended 31 March 2022**

Independent Examiner's Report to the Trustees of The Church at Carrs Lane ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2022.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent Examiner's Statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

Your attention is drawn to the fact that the Charity has prepared the accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do 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.

Independent Examiner's Report (continued)
For the year ended 31 March 2022

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 15 December 2023

Andy Morris

FCA (Senior statutory auditor)

Dains Audit Limited
Birmingham

Statement of financial activities
For the year ended 31 March 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	80,503	-	80,503	76,063
Charitable activities	5	93,851	-	93,851	41,461
Investments	6	41,034	-	41,034	48,260
Other income	7	112,761	-	112,761	-
Total income		328,149	-	328,149	165,784
Expenditure on:					
Raising funds		6,928	-	6,928	6,615
Charitable activities	9	995,057	-	995,057	521,465
Total expenditure		1,001,985	-	1,001,985	528,080
Net expenditure before net gains on investments		(673,836)	-	(673,836)	(362,296)
Net gains on investments		90,779	5,730	96,509	127,725
Total transfers		-	-	-	-
Net movement in funds		(583,057)	5,730	(577,327)	(234,571)
Reconciliation of funds:					
Total funds brought forward		1,596,825	94,271	1,691,096	1,925,667
Net movement in funds		(583,057)	5,730	(577,327)	(234,571)
Total funds carried forward		1,013,768	100,001	1,113,769	1,691,096

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 14 to 32 form part of these financial statements.

The Church at Carrs Lane
Registered number:

Balance sheet
As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	20,424	611,118
Investments	15	955,310	1,005,558
		975,734	1,616,676
Current assets			
Debtors	16	185,930	78,684
Cash at bank and in hand		37,471	47,919
		223,401	126,603
Creditors: amounts falling due within one year	17	(85,366)	(52,183)
Net current assets		138,035	74,420
Total assets less current liabilities		1,113,769	1,691,096
Net assets excluding pension asset		1,113,769	1,691,096
Total net assets		1,113,769	1,691,096
Charity funds			
Restricted funds	18	100,001	94,271
Unrestricted funds	18	1,013,768	1,596,825
Total funds		1,113,769	1,691,096

The financial statements were approved and authorised for issue by the Trustees on 15 December 2023 and signed on their behalf by:

Peter Malcolm Woodall
(Trustee)

The notes on pages 14 to 32 form part of these financial statements.

**Notes to the financial statements
For the year ended 31 March 2022**

1. General information

The Church at Carrs Lane is an unincorporated charitable trust registered with the Charity Commission in England and Wales with registered number 1153980. The registered office is shown on page 1. The principal activity of the charity is the advancement of the Christian faith in Birmingham in accordance with the principles and practices of the participating churches.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Church at Carrs Lane 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.

2. Accounting policies (continued)

2.2 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the contribution of church members and friends to the work set out in the Trustees' report is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Properties

The properties in use by The Church at Carrs Lane are registered in the name of The United Reformed Church (West Midlands) Trust Limited but held for the benefit of the Church. For this reason the cost of the properties is not reflected in the financial statements. Any capital works undertaken by the Church are capitalised and depreciated in accordance with the policy below.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

**Notes to the financial statements
For the year ended 31 March 2022**

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Property improvements	- Over 10 years
Fixtures and fittings	- Over 5 years
Piano	- Over 15 years

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**Notes to the financial statements
For the year ended 31 March 2022**

2. Accounting policies (continued)

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Fixed assets - estimated useful lives
Investments - estimate of fair value

Notes to the financial statements
For the year ended 31 March 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations			
Offertories	34,539	34,539	36,418
Other donations	2,928	2,928	390
Grants			
Joseph Scott's Chapel Charity	15,729	15,729	15,415
Church of England and Methodist Circuit contributions to retail chaplaincy	9,072	9,072	11,340
Methodist Circuit grant	12,859	12,859	12,500
Donations from trading subsidiary	5,376	5,376	-
Total 2022	<u>80,503</u>	<u>80,503</u>	<u>76,063</u>
Total 2021	<u>76,063</u>	<u>76,063</u>	

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rental income	79,505	79,505	14,283
Income from mission activities	-	-	4,560
Coronavirus Job retention scheme	14,346	14,346	22,618
	<u>93,851</u>	<u>93,851</u>	<u>41,461</u>

Notes to the financial statements
For the year ended 31 March 2022

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Dividend income	40,822	40,822	48,088
Bank interest	212	212	172
	<u>41,034</u>	<u>41,034</u>	<u>48,260</u>

7. Other income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Business interruption insurance claim	<u>112,761</u>	<u>112,761</u>	<u>-</u>

8. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Grants	<u>30,000</u>	<u>30,000</u>	<u>-</u>

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Charitable Activities	<u>995,057</u>	<u>995,057</u>	<u>521,465</u>
Total 2021	<u>521,465</u>	<u>521,465</u>	

Notes to the financial statements
For the year ended 31 March 2022

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable Activities	224,298	30,000	740,759	995,057	521,465
Total 2021	281,728	-	239,737	521,465	

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	34,778	35,069
Depreciation	8,763	114,797
Ministry and mission contributions to URC/Methodist	90,830	71,324
Manse expenses	393	2,907
Pulpit, worship and pastoral supplies	281	224
Mission activities	1,418	1,102
Publicity and website	11	10
Musicians and music	3,562	5,517
Residential community	-	492
Utilities and rates	37,184	27,602
Cleaning and refuse	4,891	9,472
Insurance	7,515	7,006
General maintenance	24,554	4,949
Catering purchases	4,780	(52)
City Centre chaplaincy administrative costs	5,338	1,309
	224,298	281,728

Notes to the financial statements
For the year ended 31 March 2022

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	127,451	169,344
Staff recruitment and training	-	4,200
Legal and professional	8,737	1,659
Office and communication costs	14,468	10,266
Independent examiner and accountancy fees	8,172	5,616
Bad debt provision	-	4,899
Exceptional item (Note 13)	581,931	43,753
	740,759	239,737

11. Staff costs

	2022 £	2021 £
Wages and salaries	152,344	189,629
Social security costs	6,934	11,340
Contribution to defined contribution pension schemes	2,951	3,444
	162,229	204,413

The Church made no staff redundant during the year (2021: 7). The total redundancy payments made were £Nil (2021: £39,588)

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Administration	2	6
Premises	5	5
Musicians	1	1
Retail Chaplain	1	1
	9	13

**Notes to the financial statements
For the year ended 31 March 2022**

11. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

All staff were jointly employed by the Church and the trading subsidiary up until when the trading subsidiary closed. Salary costs are apportioned by use of resources.

All key management personnel (being the Trustees) act in a voluntary capacity and are not remunerated.

Included in the wages and salaries cost above is £34,778 (2021: £35,069), being the salary of the Retail Chaplain whose position is part funded by the Church of England and Methodist Circuit, with the balance being met from the Church resources.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

13. Exceptional items

The exceptional item shown in the current year relates to the impairment of property assets as set out below.

In accordance with the Church's Accounting Policies (notes 2.5 and 2.6 above), capital works undertaken by the Church have been capitalised and depreciated as they enhance not only the value of the building but also the Church's potential to generate income through the use of the premises.

The dramatic impact of changes arising from the Covid 19 pandemic mean that the Church has had to make significant decisions about the future of the building. In June 2021 the Trustees determined that the church building was no longer fit for the purpose of the Church, and that the financial model which is reliant on external income from lettings and room hire was no longer sustainable.

During the end of 2021 and the early part of 2022 it became clear that the conference business would not revert to anything near the levels pre-lockdown, and that a deficit was arising from continuing to attempt to run this business. Therefore, the Trustees decided in January 2022 to cease room hire, and close Dale House and other parts of the building, from 31/8/22 and make further staff redundant. The Trustees have subsequently progressed plans to redevelop the Church on the current site in partnership with others.

As a consequence of these decisions, the Book Value of the property related tangible fixed assets is deemed to be greater than the Recoverable Amount. This is because the Church has ceased to let and use the Dale House block and is no longer deriving significant income from the remainder of the building. In the event of disposal of the building the Church will not directly receive the proceeds of sale. It has been determined, therefore, that it is appropriate to impair the value of the property assets on the Church's balance sheet to nil and for this to be shown as an exceptional item in the Statement of Financial Activities.

The exceptional item showing in expenditure in the prior year, relates to the provision of the write off of the loan with Carrs Lane Conference Centre which has now ceased to operate.

Notes to the financial statements
For the year ended 31 March 2022

14. Tangible fixed assets

	Property improvements £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2021	1,618,631	176,430	1,795,061
At 31 March 2022	1,618,631	176,430	1,795,061
Depreciation			
At 1 April 2021	1,036,700	147,243	1,183,943
Charge for the year	-	8,763	8,763
Impairment charge	581,931	-	581,931
At 31 March 2022	1,618,631	156,006	1,774,637
Net book value			
At 31 March 2022	-	20,424	20,424
At 31 March 2021	581,931	29,187	611,118

15. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Cash £	Total £
Cost or valuation				
At 1 April 2021	1	1,002,242	-	1,002,243
Additions	-	52,703	9,599	62,302
Disposals	-	(205,744)	-	(205,744)
Revaluations	-	96,509	-	96,509
At 31 March 2022	1	945,710	9,599	955,310
Net book value				
At 31 March 2022	1	945,710	9,599	955,310
At 31 March 2021	1	1,002,242	-	1,002,243

**Notes to the financial statements
For the year ended 31 March 2022**

15. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Holding
Carrs Lane Conference Centre Limited	09048871	100%

The financial results of the subsidiary for the year were:

Carrs Lane Conference Centre Ltd did not trade during the year. A final gift aid payment of £5,376 was received during the year. Carrs Lane Conference Centre Ltd was dissolved on 22 August 2023.

16. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	15,158	7,545
Other debtors	126,135	23,900
Prepayments and accrued income	44,637	47,239
	185,930	78,684

17. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	19,266	24,100
Other taxation and social security	3,082	5,365
Pension fund loan payable	677	717
Other creditors	130	253
Accruals and deferred income	62,211	21,748
	85,366	52,183

Notes to the financial statements
For the year ended 31 March 2022

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
Youth Fund	2,787	-	-	-	-	2,787
Tangible fixed assets	611,118	-	(590,694)	-	-	20,424
Fixed asset investments	907,972	-	-	(143,442)	90,779	855,309
	<u>1,521,877</u>	<u>-</u>	<u>(590,694)</u>	<u>(143,442)</u>	<u>90,779</u>	<u>878,520</u>
General funds						
General funds	74,948	328,149	(411,291)	143,442	-	135,248
Total Unrestricted funds	<u>1,596,825</u>	<u>328,149</u>	<u>(1,001,985)</u>	<u>-</u>	<u>90,779</u>	<u>1,013,768</u>
Restricted funds						
Funds held by Trustees for Methodist Church Purposes	94,271	-	-	-	5,730	100,001
Total of funds	<u>1,691,096</u>	<u>328,149</u>	<u>(1,001,985)</u>	<u>-</u>	<u>96,509</u>	<u>1,113,769</u>

Notes to the financial statements
For the year ended 31 March 2022

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Youth Fund	2,787	-	-	-	-	2,787
Tangible fixed assets	725,915	-	(114,797)	-	-	611,118
Fixed asset investments	779,936	-	-	12,525	115,511	907,972
	<u>1,508,638</u>	<u>-</u>	<u>(114,797)</u>	<u>12,525</u>	<u>115,511</u>	<u>1,521,877</u>
General funds						
General Funds	<u>95,152</u>	<u>165,784</u>	<u>(413,283)</u>	<u>227,295</u>	<u>-</u>	<u>74,948</u>
Total Unrestricted funds	<u>1,603,790</u>	<u>165,784</u>	<u>(528,080)</u>	<u>239,820</u>	<u>115,511</u>	<u>1,596,825</u>
Restricted funds						
Funds held by Trustees for Methodist Church Purposes	<u>321,877</u>	<u>-</u>	<u>-</u>	<u>(239,820)</u>	<u>12,214</u>	<u>94,271</u>
Total of funds	<u><u>1,925,667</u></u>	<u><u>165,784</u></u>	<u><u>(528,080)</u></u>	<u><u>-</u></u>	<u><u>127,725</u></u>	<u><u>1,691,096</u></u>

**Notes to the financial statements
For the year ended 31 March 2022**

18. Statement of funds (continued)

Youth fund

Funds were given to assist the Church with youth work.

Funds held by the Trustees for Methodist Church Purposes

These funds represent those funds contributed by Birmingham Methodist City Mission to the Local Ecumenical Partnership ("LEP") which are held by the Trustees for Methodist Church Purposes.

The funds can be used in furtherance of mission in the City Centre which falls within the charity's objects but if applied for improvement/development of the church building, would be restricted to the extent that on dissolution of the LEP the methodist church would hold a charge over the property for sums equivalent to the amount spending on the building.

Transfers between funds

The transfer from the restricted fund to unrestricted funds is following approval of the Trustees for Methodist Church purposes to release funds primarily for capital projects but also to support the general purposes of the Church.

The Trustees have reviewed the designated fund categorisations and taken the decision to separate tangible fixed assets and fixed asset investments into separately identifiable funds with the result that the unrestricted general fund more clearly demonstrates the readily available funds for general operational purposes.

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	20,424	-	20,424
Fixed asset investments	855,309	100,001	955,310
Current assets	223,401	-	223,401
Creditors due within one year	(85,366)	-	(85,366)
Total	1,013,768	100,001	1,113,769

Notes to the financial statements
For the year ended 31 March 2022

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	611,118	-	611,118
Fixed asset investments	911,287	94,271	1,005,558
Current assets	126,603	-	126,603
Creditors due within one year	(52,183)	-	(52,183)
Total	1,596,825	94,271	1,691,096

20. Pension commitments

The charity utilises a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,951 (2021: £3,444) Contributions totalling £677 (2021:£717) were payable to the fund at the balance sheet date and are included in creditors.

**Notes to the financial statements
For the year ended 31 March 2022**

21. Related party transactions

Carrs Lane Lived Community

One trustee is a member of the Community and occupies a flat on the Church premises rent free, returning that benefit through contribution to the work and mission of the Church, which is a condition of residence. The trustee was a member of the Community prior to appointment as a trustee.

Carrs Lane Conference Centre

Carrs Lane Conference Centre Limited, the wholly owned subsidiary ceased to operate on 31st August 2020. All on-going business, assets and liabilities were transferred to the Church prior to 2021/22. The Conference Centre bank account was closed in March 2022 and the remaining balance of £5,376 transferred to the Church. The company was dissolved by Companies House in August 2023.

Joseph Scott's Chapel Charity

The Church at Carrs Lane is a specified beneficiary of the Joseph Scott's Chapel Charity and four members of the Church serve as trustees of this charity. During the year a grant of £15,729 (2021: £15,415) was confirmed. At the year end £3,729 (2021: £3,415) was outstanding.

Carrs Lane Counselling Centre

During the year the Church received rents of £5,773 (2021: £5,773) and £1,574 (2021: £734) for other services from Carrs lane Counselling Centre, a charity of which two of the trustees are also trustees. The Church manages and pays the salaries of Counselling Centre staff which are reimbursed. The Church Trustees also resolved during the year to make a grant in support of the work of the Counselling Centre; £10,000 was paid in the year and a further £20,000 accrued for payment in future years.

Appendix 1 - Local ecumenical partnership

When Carrs Lane Church Centre and Birmingham Methodist City Mission came together as a Local Ecumenical Partnership and transfer the assets to The Church at Carrs Lane, their respective contributions were deemed to form part of "the Common Fund" to be used in furtherance of the charitable purposes of the charity. In the event that the partnership were to cease then the funds would be split between the Methodist and United Reformed Church based on the proportion contribution to the Common Fund.

Where Methodist funds in excess of £100,000 are used to improve the building (which is a United Reformed Church property) then this represents a capital contribution and would no longer form part of the Common Fund contribution.

On 31 October 2017 representatives of the two denominations entered into a Deed to vary the Sharing Agreement between them in respect of the capital contributions. Under this Deed, as at 31 March 2021, capital contributions totalling £632,159 have been made from the Methodist funds and accordingly the Methodist Share of the open market value of the property is 18.15%.

The Church at Carrs Lane

Notes to the financial statements For the year ended 31 March 2022

	United Reformed Church		Methodist	
	%	£	%	£
Year ended 2015				
Common fund contribution		1,361,952		1,134,657
Carried forward	55	1,361,952	45	1,134,657
Year ended 2016				
Common fund contribution				70,112
Carried forward	53	1,361,952	47	1,204,769
Year ended 2017				
Common fund contribution				(121,215)
Carried forward	56	1,361,952	44	1,083,554
Year ended 2018				
Common fund contribution				(340,055)
Carried forward	65	1,361,952	35	743,499
Year ended 2019				
Common fund contribution				(149,557)
Carried forward	70	1,361,952	30	593,942
Year ended 2020				
Common fund contribution				(21,331)
Carried forward	70	1,361,952	30	572,611
Year ended 2021				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611
Year ended 2022				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611

THE CHURCH AT CARRS LANE

England & Wales - Charity number 1153980

Accounts

THE CHURCH AT CARRS LANE

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

THE CHURCH AT CARRS LANE

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THE CHURCH AT CARRS LANE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Caroline Ruth Ambler (appointed 1 January 2021) Joe Bullen (appointed 22 February 2022) Revd Anna Cristina Cipriani Diana Lynne Joyce Cullum-Hall (resigned 15 December 2020) Elizabeth Barbara Cummings (appointed 1 January 2022, resigned 15 December 2020) Peter Mervyn Cummings (appointed 19 January 2022) Derek Charles Duffield (resigned 15 December 2020) Julia Elizabeth Grove (resigned 15 December 2020) Revd Neil Wharrier Johnson (resigned 31 August 2022) Christine Anne Tudor Jones (appointed 1 January 2021) Taiwo Christopher Makanjuola (appointed 1 January 2021) Matthew John Neville Steph Neville (appointed 1 January 2021, resigned 31 December 2021) Dr Michael Richer (appointed 1 January 2022) Janis Mary Scott (resigned 31 December 2021) Revd Suzanne Shortman (appointed 30 September 2022) Martin Stokes Andrew Thomas Veitch (resigned 31 December 2021) Peter Malcolm Woodall Christopher David Yorke (resigned 31 August 2021) Deacon Ruth Brenda Yorke
Charity registered number	1153980
Principal office	Carrs Lane Birmingham B4 7SX
Accountants	MHA MacIntyre Hudson Chartered Accountants Rutland House 148 Edmund Street Birmingham B3 2FD
Bankers	CAF Bank Limited West Malling Kent ME19 4TA
Solicitors	Veale Wasbrough Vizards LLP Second Floor 3 Brindley Place Birmingham B1 2JB Keeleys - Solicitors for employment issues 28 Dam Street Lichfield WS13 6AA

THE CHURCH AT CARRS LANE

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Investment advisers	Quilter Cheviot 2 Snowhill Birmingham B4 6GA
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THE CHURCH AT CARRS LANE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the financial statements for The Church at Carrs Lane (the charity) for the year ended 31 March 2021. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard 102.

Objectives and activities

● Policies and objectives

In furtherance of our charitable objects, it is our mission to be a community of Christians which seeks to respond honestly and imaginatively to the challenge to live out the Christian life in the centre of a 21st century city. As part of our becoming a Local Ecumenical Partnership (LEP) the following Guiding Principles have been adopted by Trustees and approved by Church Meeting:

Guiding principles

Together we seek to embody what it means to proclaim God incarnate at the heart of Birmingham as:

- We aim to be the body of Christ, by means of the common life of our diverse congregations and throughout the location as a strategic centre for Christian mission and service.
- We seek to demonstrate 'koinonia' (communion/community/contribution) as a true model of Church and City. We believe in Church that is based around relationships and we commit ourselves to the nurturing and intentional Christian Community at Carrs Lane.

Therefore:

- We endeavour to offer relevant and accessible Christian worship which gives voice to the hopes and yearnings of the people of the city
- We strive relentlessly for justice, peace and care for all God's Creation, but with a specific focus on the concerns of the city centre; we have a responsibility to respond to the rhythms of the city
- We acknowledge the responsibilities of our prophetic role, and aim to be challenging, comforting and resourcing the wide city, not least through offering space for people to engage in urban theological reflection
- We commit ourselves for releasing and resourcing new opportunities for creative ministries, including the development and sustenance of chaplaincies in the city centre
- We will continue the ministry of hospitality in its many forms.

THE CHURCH AT CARRS LANE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

● Review of activities

The Church at Carrs Lane holds the assets of the former Carrs Lane Church Centre and Birmingham Methodist City Mission (BMCM). The Church at Carrs Lane acts as the managing trustee for the former investment portfolio of BMCM held by the Trustee for Methodist Church Purposes. A significant part of those investments has been used in past years to fund the refurbishment of Dale House and make other improvements to the building.

The activities of the Church were necessarily curtailed during the Covid-19 Pandemic and associated lockdowns. The Church website was regularly updated and gave details of The Church at Carrs Lane and related activities.

Until September 2020, the wholly owned trading company 'Carrs Lane Conference Centre Limited' had responsibility for the day to day management of the meeting room hire business, day to day supervision of employees and the building. The Directors of the trading company were appointed by the Elders/Trustees. The trading company paid a percentage of its turnover as a licence fee and any profits were covenanted to The Church at Carrs Lane. All employees were jointly employed by the church and the trading company. From September 2020, these functions transferred directly to the Church.

During the year, sadly, both the CLC Bookshop and the Carrs Lane Fair Trade shop ceased to trade.

Revd Elaine Hutchinson, the team leader of the Retail Chaplaincy, continued to co-ordinate retail chaplaincy in city centre retail areas, and explore new ways of responding to the difficult situations during and following lockdown.

There was a reduction of two members leaving a total of 62 members.

Public worship services are held on Sunday mornings, attendance at which was significantly impacted by the pandemic. Numbers are roughly two thirds of previous congregations. There also continued to be a service on Wednesday lunchtimes. The Church continued its life of worship and service during the lockdown but in very different ways. Worship in this period was largely recorded or showed as live broadcasts through Facebook and YouTube streaming. When allowed and safe to do so, the Church resumed in-person worship while maintaining the online presence together with congregational meetings through Zoom. Other activities have continued online where possible but many have not been able to meet. The Church has sought to maintain and develop links with partner organisations and provide support through chaplaincy and practical work.

Carrs Lane Lived Community, continued its ministry of regular prayer either online or in person, as well as involvement in a variety of projects supporting different groups in the city, including the homeless and refugees and asylum seekers; and campaigning on peace and social justice issues.

The Street Banquet for members of the homeless community and other vulnerable adults continues, when possible, on a periodic basis, and welcomed many people on each occasion.

A permanent children's area in the main church room makes clear the value placed on our younger members. Latterly focus has been on encouraging and supporting young families as there are no older young people attending junior church at present.

The Revd Cristina Cipriani continued to serve as URC minister in a joint pastorate with Digbeth-in-the-Field URC in Yardley. The Revd Dr Neil Johnson continued to serve as Methodist Minister in addition to his wider responsibilities in the Birmingham Methodist Circuit.

THE CHURCH AT CARRS LANE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

As far as possible, our Methodist Deacon, Ruth Yorke, continued with city centre engagement and mission connections with a range of partners, some of whom use our Partnership Room and other parts of the premises. She engages with Birmingham Christian Homelessness Forum, which is useful in knowing more about what provision and issues are in the city centre. She is also spending time enabling us to increase our engagement with the City Centre through City Centre Churches Together and other groups.

When lockdown prevented us offering space, we kept in touch with our partner, Shelter, and with other agencies, including those who had been using the Partnership Room. We made contact with people early in lockdown and ensured that some of the most vulnerable people known to us had contacts with those providing food parcels and other support. We are now able to offer space again and Crisis Skylight are using the Partnership Room for 1:1 work, and we have made what used to be the bookshop available to the other groups who had been using the Partnership Room but who would not currently 'fit' there with distancing requirements. By the end of the year, this space is being used by Hope for Jobs, MIND, Stories of Hope and Home, the church's parent and toddler group for refugees and asylum seekers. In this way, we are trying to use the resources we have to enable important work that we know we may not be able to accomplish by ourselves, but which we are passionate about. This is an ongoing work, and the Deacon continues to seek to identify the needs and help us to find ways to address them and work with others as we do so. The Church has continued to learn and act on issues of racial justice and is currently planning 'next steps'.

We are Partners too with Inclusive Gathering Birmingham, and very keen to support their important ministry, and grateful for their support and sharing too.

The Church considers it critical to address issues of racism awareness with the aim of being anti-racist. Many from the church engaged in an anti-racist book group and reflecting on Racial justice through worship.

The young adults' group (which includes students of varying ages as well as young professionals) met regularly online and is generally led by the members. We welcomed 5 new people to this group since lockdown began and are delighted that most have stayed and become part of the church. For Lent, the group put together a selection of prayers, resources and activities which our deacon then posted out to the wider church as a gift from the group. This was appreciated by the whole church. The URC Lent packs were also sent to the young adults group.

As a church we continue to work on different aspects of inclusion, including anti-racism. Carrs Lane, is a church which is open to discussion and sharing different ideas without judgement, and is a safe place for people who are LGBT+, so this is important to who we are and why people 'look us up'. We are still exploring the depths of people's experiences and how we move from inclusion and belonging to solidarity and deeper understanding.

City Centre Churches Together has been meeting online during lockdown and, for the second time now, the Good Friday ecumenical walk of witness was 'virtual' (online). This year we offered an ecumenical service online with a message from our regional denomination leaders (part of which was shown on ITV news on Good Friday). 'Christians at Pride Birmingham' was 'virtual' in 2020 and Ruth gathered people online to make a 'blessings for Pride' video which was watched many times across all the church social media and websites. A clip of it was shown at Birmingham Virtual Pride and seen by more than 2000 people who were watching it live.

THE CHURCH AT CARRS LANE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

Looking to the future

Public benefit

In reviewing the year, the Trustees have taken into account the Charity Commission's guidance on public benefit and the two principles that:

- There must be an identifiable benefit or benefits, and
- The benefit must be to the public or a section of the public

They have also considered the specific guidance on charities for the advancement of religion.

The Trustees believe that The Church at Carrs Lane provides identifiable benefits which are open to all who wish to participate in its life and development.

Attendance at the Church's activities is open to all, although anyone wishing to become a member does so on a profession of faith according to the practices of the LEP.

No private benefit accrues. It should be noted that unpaid members of the resident community, while receiving a benefit of accommodation, return that benefit through the contribution they make to the work and mission of the Church, which is a condition of their residence.

THE CHURCH AT CARRS LANE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Financial review

- **Reserves policy**

General purposes fund

Object: To use income arising from the activities of The Church at Carrs Lane to support the charitable objects to advance the Christian religion in accordance with the doctrines, principles and usages of the Church in accordance with the terms of the Local Ecumenical Partnership.

Reserves policy: Unrestricted funds are needed to assist with a proper stewardship of the Church's assets and to help cover related administration costs. The Trustees consider it prudent to have adequate working capital to enable its activities to proceed unhindered. At 31 March 2021 the balance in this fund was £74,948 and the Trustees consider this to be adequate for that purpose.

Youth fund

Object: Funds were given to assist the Church with youth work.

Reserves policy: A designated fund that can only be expended on projects which benefit children, young people or young adults up to the age of thirty years. Those benefiting may be children of the congregation, members of the congregation or anyone under the age of thirty for whom it is deemed appropriate. At 31 March 2021 the balance in this fund was £2,787.

Investment portfolio

Object: Funds mainly contributed by Carrs Lane Church Centre and subsequent legacies. The Trustees have resolved to invest funds arising from previous legacies and other sources in order to provide a source of income to support the Church's charitable objects

Reserves policy: A designated fund that can only be invested ethically as determined by the Trustees in order to provide an income source. Currently, on the recommendation of the Finance Committee, the funds are externally managed on a discretionary basis. At 31 March 2021 the balance in this fund was £907,972.

Tangible fixed assets

Objects: To reflect previous expenditure on the building and fixtures and fittings by the Trustees in order to enhance the premises for the purposes of meeting the Church's charitable objects.

Reserves policy: A designated fund which matches the depreciated book value of tangible fixed assets, reflecting the historic spending on improvements to the building rather than resources available for future use. At 31 March 2021 the balance in this fund was £611,118.

Funds held by The Trustees for Methodist Church Purposes

Objects: These funds represent those funds contributed by Birmingham Methodist City Mission to the Local Ecumenical Partnership ("LEP") which are held by the Trustees for Methodist Church Purposes.

Reserves: The funds can be used in furtherance of mission in the City Centre which falls within the charity's objects but if applied for improvement/development of the church building, would be restricted to the extent that on dissolution of the LEP the Methodist Church would hold a charge over the property for a sum equivalent to the amount spent on the building. At 31 March 2021 the balance in this fund was £94,271.

THE CHURCH AT CARRS LANE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

● Review of finances

Overall the net total funds of the Church reduced substantially by £235k from £1.926m to £1.691m at 31 March 2021. The Church continues to apply resources transferred from the two founding churches to support and enhance the ministry and mission of the Church. The Churches investments improved in value by £128k. Taking these amounts into account, the underlying position on the Church's activities was a loss of around £362k.

These accounts show that this major financial shock occurred because of substantial losses of income. The main reason for this was that Carrs Lane Conference Centre Ltd was forced to cease trading during the national lockdowns, and only recovered a fraction of its business in the periods when lockdown was lifted. In addition, most of the tenants using the building on a commercial basis left either as a consequence of the national situation or other business reasons.

Expenditure overall generally reduced during the lockdown period but by nothing like the loss of income. In addition, the Church and Conference Centre made the difficult decision to make a number of staff redundant and the additional costs resulted in an increase in expenditure for the year.

Structure, governance and management

● Constitution

The Church at Carrs Lane is a Single Congregation Local Ecumenical Partnership between Carrs Lane Church Centre and Birmingham Methodist City Mission. It was created on 14 July 2013 as a registered charity, number 1153980. This body became active on 1 April 2014 taking over the worship-related activities of Carrs Lane Church Centre, with the transfer of assets of Carrs Lane Church Centre following on 1 July 2014 together with the assets of its Methodist Partner on 1 September 2014.

For the purposes of formalising the arrangements for maintaining the URC owned building, a sharing agreement had already been created on 26 March 2014 between the United Reformed Church (West Midlands) Trust Limited and the Birmingham Methodist City Mission. A deed amending the provisions of the sharing agreement was created on 31 October 2017. A joint council meeting with representation from both denominations meets annually to oversee and approve transactions.

● Methods of appointment or election of Trustees

The Trustees are appointed by the Church Members by postal ballot to ensure that all members are able to vote if they wish.

THE CHURCH AT CARRS LANE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

● Organisational structure and decision-making policies

Trustees have met monthly throughout the year. Aware of their responsibilities under Charity Law, the Trustees are also acting in accordance with the structures of the United Reformed and Methodist Churches, and take into account the important role of such bodies as the Church Officers, Church Meeting and Finance Committee.

The Trustees retain ultimate authority for the running and wellbeing of the Church, but in practice various bodies act on their authority. The Finance Committee oversees the investment portfolios, makes recommendations regarding a budget, and monitors income and expenditure. The Trustees receive regular financial reports from those meetings. The Trustees also formally approve the budget and financial statements and ensure that these are presented at the Annual Business Meeting of the Church in September.

The Trustees are responsible for the appointment of their advisers and review their appointment annually. Helen Blundell of MHA MacIntyre Hudson has acted as our independent examiner. During 2018 Charles Stanley was replaced as investment manager by Quilter Cheviot. Veale Wasborough Vizards LLP acts as main solicitor and Keelys LLP advises on employment matters.

● Related party relationships

Be.friend city centre retail chaplaincy

Reverend Elaine Hutchinson continues her valued role as team leader of volunteer chaplains and was formally inducted as a minister of The Church at Carrs Lane in 2019. This important and valued ministry continues to be funded by the Anglican Church, Birmingham Methodist Circuit and The Church at Carrs Lane.

Carrs Lane Counselling Centre, a separate charity operating in the premises, continues its valuable work, by offering a first class BCAP accredited counselling service to adults, though raising sufficient funds to support its work has become significantly more difficult. Members of the Church serve on its governing body. It provides a minimal cost service and is an outworking of the church's commitment to the city in the light of its mental health needs.

The Church has been represented at the United Reformed Church West Midlands Synod, and also at the Birmingham Circuit Assembly and the Birmingham District Synod of the Methodist Church.

The Church at Carrs Lane continues to receive a significant annual grant from Joseph Scott's Chapel Charity. Members of the Church serve as representative trustees of the charity.

Plans for future periods

The Church continues to explore, through prayer and discernment, the way forward in the light of the significant changes which have occurred during this and the following year. The Church has concluded that the financial model, through which the Church activities are supported by conference business, will not recover. Also that the current building is no longer fit for purpose. Consequently, the Church is considering future options for redevelopment of the site whilst continuing the mission and ministry of the Church.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Statement of 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 & Wales requires the 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:
Date:

THE CHURCH AT CARRS LANE

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

Independent examiner's report to the Trustees of The Church at Carrs Lane ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2021.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated:

Helen Blundell LLB FCA FCIE DChA

MHA MacIntyre Hudson
Chartered Accountants
Rutland House
148 Edmund Street
Birmingham
B3 2FD

THE CHURCH AT CARRS LANE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	4	76,063	-	76,063	173,200
Charitable activities	5	41,461	-	41,461	80,168
Investments	6	48,260	-	48,260	52,087
Total income		165,784	-	165,784	305,455
Expenditure on:					
Raising funds		6,615	-	6,615	7,179
Charitable activities		521,465	-	521,465	435,172
Total expenditure		528,080	-	528,080	442,351
Net expenditure before net gains/(losses) on investments		(362,296)	-	(362,296)	(136,896)
Net gains/(losses) on investments		115,511	12,214	127,725	(130,321)
Net (expenditure)/income		(246,785)	12,214	(234,571)	(267,217)
Transfers between funds	16	239,820	(239,820)	-	-
Net movement in funds		(6,965)	(227,606)	(234,571)	(267,217)
Reconciliation of funds:					
Total funds brought forward		1,603,790	321,877	1,925,667	2,192,884
Net movement in funds		(6,965)	(227,606)	(234,571)	(267,217)
Total funds carried forward		1,596,825	94,271	1,691,096	1,925,667

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 31 form part of these financial statements.

THE CHURCH AT CARRS LANE

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	611,118	725,915
Investments	13	1,005,558	1,121,519
		<u>1,616,676</u>	<u>1,847,434</u>
Current assets			
Debtors	14	78,684	134,076
Cash at bank and in hand		47,919	28,621
		<u>126,603</u>	<u>162,697</u>
Creditors: amounts falling due within one year	15	(52,183)	(84,464)
Net current assets		<u>74,420</u>	<u>78,233</u>
Total net assets		<u><u>1,691,096</u></u>	<u><u>1,925,667</u></u>
Charity funds			
Restricted funds	16	94,271	321,877
Unrestricted funds	16	1,596,825	1,603,790
Total funds		<u><u>1,691,096</u></u>	<u><u>1,925,667</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Date:

The notes on pages 14 to 31 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. General information

The Church at Carrs Lane is an unincorporated charitable trust registered with the Charity Commission in England and Wales with registered number 1153980. The registered office is shown on page 1. The principal activity of the charity is the advancement of the Christian faith in Birmingham in accordance with the principles and practices of the participating churches.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Church at Carrs Lane 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.

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

2. Accounting policies (continued)

2.2 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the contribution of church members and friends to the work set out in the Trustees' report is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

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

2. Accounting policies (continued)

2.3 Expenditure (continued)

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Properties

The properties in use by The Church at Carrs Lane are registered in the name of The United Reformed Church (West Midlands) Trust Limited but held for the benefit of the Church. For this reason the cost of the properties is not reflected in the financial statements. Any capital works undertaken by the Church are capitalised and depreciated in accordance with the policy below.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Property improvements	- Over 10 years
Fixtures and fittings	- Over 5 years
Piano	- Over 15 years

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Fixed assets - estimated useful lives
Investments - estimate of fair value

4. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations			
Offertories	36,418	36,418	42,952
Donations from trading subsidiary	-	-	46,917
Other donations	390	390	1,024
Grants			
Joseph Scott's Chapel Charity	15,415	15,415	17,995
Church of England and Methodist Circuit contributions to retail chaplaincy	11,340	11,340	12,095
Methodist Circuit grant	12,500	12,500	31,826
Legacies	-	-	20,391
Total 2021	<u>76,063</u>	<u>76,063</u>	<u>173,200</u>
<i>Total 2020</i>	<u>173,200</u>	<u>173,200</u>	

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

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	14,283	14,283	44,453
Licence fee - Carrs Lane Conference Centre Ltd	-	-	33,299
Income from mission activities	4,560	4,560	2,416
Coronavirus Job retention scheme	22,618	22,618	-
	<u>41,461</u>	<u>41,461</u>	<u>80,168</u>

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Dividend income	48,088	48,088	51,993
Bank interest	172	172	94
	<u>48,260</u>	<u>48,260</u>	<u>52,087</u>

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

7. Analysis of grants

	Grants to Institutions 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Grants	-	-	28,509
<i>Total 2020</i>	28,509	28,509	

THE CHURCH AT CARRS LANE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Charitable Activities	281,728	-	239,737	521,465	435,172
<i>Total 2020</i>	300,187	28,509	106,476	435,172	

Analysis of direct costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	35,069	32,347
Depreciation	114,797	74,452
Ministry and mission contributions to URC/Methodist	71,324	82,036
Manse expenses	2,907	2,208
Pulpit, worship and pastoral supplies	224	1,291
Mission activities	1,102	2,705
Publicity and website	10	2,152
Musicians and music	5,517	5,895
Youth and student ministry	-	113
Residential community	492	233
Utilities and rates	27,602	46,896
Cleaning and refuse	9,472	14,666
Insurance	7,006	5,954
General maintenance	4,949	24,419
Major building repairs and refurbishment	-	3,256
Catering purchases	(52)	447
City Centre chaplaincy administrative costs	1,309	1,117
	281,728	300,187

THE CHURCH AT CARRS LANE

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	169,344	79,915
City Centre chaplaincy administrative costs	-	170
Staff recruitment and training	4,200	-
Legal and professional	1,659	3,802
Office and communication costs	10,266	6,938
Independent examiner and accountancy fees	5,616	8,571
Bad debt provision	4,899	7,080
Exceptional item (Note 11)	43,753	-
	239,737	106,476

9. Staff costs

	2021 £	2020 £
Wages and salaries	189,629	102,518
Social security costs	11,340	7,744
Contribution to defined contribution pension schemes	3,444	2,000
	204,413	112,262

The Church made seven staff redundant at the end of August 2020. The total redundancy payments made were £39,588.

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Administration	6	7
Premises	5	8
Musicians	1	1
Retail Chaplain	1	1
	13	17

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

9. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

All staff were jointly employed by the Church and the trading subsidiary up until when the trading subsidiary closed. Salary costs are apportioned by use of resources.

All key management personnel (being the Trustees) act in a voluntary capacity and are not remunerated.

Included in the wages and salaries cost above is £35,069 (2020: £32,347), being the salary of the Retail Chaplain whose position is part funded by the Church of England and Methodist Circuit, with the balance being met from the Church resources.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

11. Exceptional items

The exceptional item showing in expenditure, relates to the provision of the write off of the loan with Carrs Lane Conference Centre which has now ceased to operate.

THE CHURCH AT CARRS LANE

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

12. Tangible fixed assets

	Property improvements £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2020	1,618,631	176,430	1,795,061
At 31 March 2021	1,618,631	176,430	1,795,061
Depreciation			
At 1 April 2020	931,802	137,344	1,069,146
Charge for the year	104,898	9,899	114,797
At 31 March 2021	1,036,700	147,243	1,183,943
Net book value			
At 31 March 2021	581,931	29,187	611,118
At 31 March 2020	686,829	39,086	725,915

13. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Cash £	Total £
Cost or valuation				
At 1 April 2020	1	1,101,813	-	1,101,814
Additions	-	99,177	3,314	102,491
Disposals	-	(301,885)	-	(301,885)
Revaluations	-	103,138	-	103,138
At 31 March 2021	1	1,002,243	3,314	1,005,558

THE CHURCH AT CARRS LANE

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

13. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Class of shares	Holding
Carrs Lane Conference Centre Limited	09048871	Ordinary	100%

The financial results of the subsidiary for the year were:

	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net liabilities £
Carrs Lane Conference Centre Limited	75	(7,260)	(7,185)	(8,216)

Carrs lane Conference Centre has ceased to trade. The figures above are taken from the final accounts for the year ended 30 September 2021.

14. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	7,545	12,688
Amounts owed by group undertakings	-	79,327
Other debtors	23,900	17,201
Prepayments and accrued income	47,239	24,860
	78,684	134,076

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

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	24,100	7,739
Amounts owed to group undertakings	-	27,506
Other taxation and social security	5,365	-
Pension fund loan payable	717	-
Other creditors	253	-
Accruals and deferred income	21,748	49,219
	<u>52,183</u>	<u>84,464</u>

THE CHURCH AT CARRS LANE

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

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Youth Fund	2,787	-	-	-	-	2,787
Tangible fixed assets	725,915	-	(114,797)	-	-	611,118
Fixed asset investments	779,936	-	-	12,525	115,511	907,972
	<u>1,508,638</u>	<u>-</u>	<u>(114,797)</u>	<u>12,525</u>	<u>115,511</u>	<u>1,521,877</u>
General funds						
General Funds	95,152	165,784	(413,283)	227,295	-	74,948
Total Unrestricted funds	<u>1,603,790</u>	<u>165,784</u>	<u>(528,080)</u>	<u>239,820</u>	<u>115,511</u>	<u>1,596,825</u>
Restricted funds						
Funds held by the Trustees for Methodist Church Purposes	321,877	-	-	(239,820)	12,214	94,271
Total of funds	<u>1,925,667</u>	<u>165,784</u>	<u>(528,080)</u>	<u>-</u>	<u>127,725</u>	<u>1,691,096</u>

THE CHURCH AT CARRS LANE

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

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2020 £</i>
Unrestricted funds						
Designated funds						
Youth Fund	2,900	-	(113)	-	-	2,787
Tangible fixed assets	779,036	-	(74,452)	21,331	-	725,915
Fixed asset investments	765,965	-	-	122,009	(108,038)	779,936
	<u>1,547,901</u>	<u>-</u>	<u>(74,565)</u>	<u>143,340</u>	<u>(108,038)</u>	<u>1,508,638</u>
General funds						
General Funds	235,824	305,455	(367,786)	(78,341)	-	95,152
Total Unrestricted funds	<u>1,783,725</u>	<u>305,455</u>	<u>(442,351)</u>	<u>64,999</u>	<u>(108,038)</u>	<u>1,603,790</u>
Restricted funds						
Funds held by the Trustees for Methodist Church Purposes	409,159	-	-	(64,999)	(22,283)	321,877
Total of funds	<u><u>2,192,884</u></u>	<u><u>305,455</u></u>	<u><u>(442,351)</u></u>	<u><u>-</u></u>	<u><u>(130,321)</u></u>	<u><u>1,925,667</u></u>

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

16. Statement of funds (continued)

Youth fund

Funds were given to assist the Church with youth work.

Funds held by the Trustees for Methodist Church Purposes

These funds represent those funds contributed by Birmingham Methodist City Mission to the Local Ecumenical Partnership ("LEP") which are held by the Trustees for Methodist Church Purposes.

The funds can be used in furtherance of mission in the City Centre which falls within the charity's objects but if applied for improvement/development of the church building, would be restricted to the extent that on dissolution of the LEP the methodist church would hold a charge over the property for sums equivalent to the amount spending on the building.

Transfers between funds

The transfer from the restricted fund to unrestricted funds is following approval of the Trustees for Methodist Church purposes to release funds primarily for capital projects but also to support the general purposes of the Church.

The Trustees have reviewed the designated fund categorisations and taken the decision to separate tangible fixed assets and fixed asset investments into separately identifiable funds with the result that the unrestricted general fund more clearly demonstrates the readily available funds for general operational purposes.

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	611,118	-	611,118
Fixed asset investments	911,287	94,271	1,005,558
Current assets	126,603	-	126,603
Creditors due within one year	(52,183)	-	(52,183)
Total	1,596,825	94,271	1,691,096

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

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	725,915	-	725,915
Fixed asset investments	799,642	321,877	1,121,519
Current assets	162,697	-	162,697
Creditors due within one year	(84,464)	-	(84,464)
Total	1,603,790	321,877	1,925,667

18. Pension commitments

The charity utilises a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £3,444 (2020: £2,000) Contributions totalling £717 (2020:£Nil) were payable to the fund at the balance sheet date and are included in creditors.

THE CHURCH AT CARRS LANE

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

19. Related party transactions

Carrs Lane Lived Community

One trustee is a member of the Community and occupies a flat on the Church premises rent free, returning that benefit through contribution to the work and mission of the Church, which is a condition of residence. The trustee was a member of the Community prior to appointment as a trustee.

Carrs Lane Conference Centre

Carrs Lane Conference Centre Limited, the wholly owned subsidiary has now ceased to operate, it had previously operated the premises under licence. A licence fee of £Nil (2020: £33,299) was charged to the subsidiary. On occasion The Church at Carrs Lane ("the Church"), in accordance with its aims and objectives would agree to subsidise rooms hired by some charities and other organisations. The subsidies awarded were paid to the Conference Centre by the Church and amounted to £Nil (2020: £14,398). The Conference Centre previously donated its profits to the Church. A donation of £Nil (2020: £41,917) was received in the year. Staff were jointly employed by the Church and the Conference Centre up until when the trading subsidiary closed. Following the cessation of Carrs Lane Conference Centre a provision has been made at the year end for the amounts that will no longer be recoverable, therefore at the year end £Nil (2020: £79,327) was due to the Church from the Conference Centre and £Nil (2020: £27,506) was due from the Church to the Conference Centre.

Joseph Scott's Chapel Charity

The Church at Carrs Lane is a specified beneficiary of the Joseph Scott's Chapel Charity and four members of the Church serve as trustees of this charity. During the year a grant of £15,415 (2020: £17,995) was confirmed. At the year end £3,415 (2020: £5,995) was outstanding.

Carrs Lane Counselling Centre

During the year the Church received rents of £5,773 (2020: £5,773) and £734 (2020:£Nil) for PPE and caretaking services from Carrs lane Counselling Centre, a charity of which one of the trustees is also a trustee.

20. Local ecumenical partnership

When Carrs Lane Church Centre and Birmingham Methodist City Mission came together as a Local Ecumenical Partnership and transfer the assets to The Church at Carrs Lane, their respective contributions were deemed to form part of "the Common Fund" to be used in furtherance of the charitable purposes of the charity. In the event that the partnership were to cease then the funds would be split between the Methodist and United Reformed Church based on the proportion contribution to the Common Fund.

Where Methodist funds in excess of £100,000 are used to improve the building (which is a United Reformed Church property) then this represents a capital contribution and would no longer form part of the Common Fund contribution.

On 31 October 2017 representatives of the two denominations entered into a Deed to vary the Sharing Agreement between them in respect of the capital contributions. Under this Deed, as at 31 March 2021, capital contributions totalling £632,159 have been made from the Methodist funds and accordingly the Methodist Share of the open market value of the property is 18.15%.

THE CHURCH AT CARRS LANE

CAPITAL CONTRIBUTIONS AND WITHDRAWALS TO THE LOCAL ECUMENICAL PARTNERSHIP
FOR THE YEAR ENDED 31 MARCH 2021

	United Reformed Church		Methodist	
	%	£	%	£
Year ended 2015				
Common fund contribution		1,361,952		1,134,657
Carried forward	55	1,361,952	45	1,134,657
Year ended 2016				
Common fund contribution				70,112
Carried forward	53	1,361,952	47	1,204,769
Year ended 2017				
Common fund contribution				(121,215)
Carried forward	56	1,361,952	44	1,083,554
Year ended 2018				
Common fund contribution				(340,055)
Carried forward	65	1,361,952	35	743,499
Year ended 2019				
Common fund contribution				(149,557)
Carried forward	70	1,361,952	30	593,942
Year ended 2020				
Common fund contribution				(21,331)
Carried forward	70	1,361,952	30	572,611
Year ended 2021				
Common fund contribution				0
Carried forward	70	1,361,952	30	572,611