

Mount Chapel

Accounts and Independent Examiners Report

Year Ended 31st December 2020

Accountant and Independent Examiner

David R S Welch FCA, DChA
Chartered Accountant

3 Alvington Grove
Hazel Grove,
Stockport,
Cheshire
SK7 5 LS



Contents	Page
Company, Legal and Charity Information	3
Trustees Report	4-8
Independent Examiners report	9
Income and Expenditure Account	10
Balance Sheet	11
Notes to Balance Sheet & Financial Statements	12-15

Company, Legal & Charity Information**Mount Chapel****Registered Address:-** 32 Eccles Old Road, Salford, United Kingdom, M6 7AF**Working Name:-** Mount Chapel Christian Fellowship**Charity Registered:-** 3rd October 2013**Charity Number:-** 1154080**Company Formed:-** 25th July 2013**Company Number:-** 08624944**Church Website:-** <http://www.mountchapel.com>**Church Email:-** mountchapelsalford@gmail.com**Reporting Accountant & Independent Examiner:-***David R S Welch FCA, DChA, Chartered Accountant,**Hazel Grove, Stockport, Cheshire. SK7 5LS**EMAIL:- david@welchfca.co.uk***Bankers:-** *Barclays Bank plc***Treasurer:-** *John A Platt***Trustees of Charity:-** *John A Platt, Raymond J Joseph,
Bernadette M Cousins, Leslie L Griffiths*

TRUSTEES REPORT

Legal

- Mount Chapel was founded in 1966. It was registered as a Charity with the Charity Commission in England & Wales on 3rd October 2013 under Charity Number 1154080 in order to comply with changes in the relevant statutory requirements.
- Mount Chapel Limited was formed as a legal company on 25th July 2013 at Companies House, with a company number of 08624944.
- The limited company began operating as a 'Not for Profit' company, limited by guarantee on 1st January 2014.
- Mount Chapel's Accounts for the year ended 31st December 2020, with 2019 comparatives, are attached.
- Ownership of the Mount Chapel Church and buildings, fixtures and equipment, was transferred from Mount Chapel Trust to Mount Chapel Limited during 2015.
- The working name of Mount Chapel is Mount Chapel Christian Fellowship
- The church address and registered office address are the same, and is:-
32 Eccles Old Road, Salford, United Kingdom, M6 7AF

Trustees

- The Trustees serving the church during the year were:- *Raymond J Joseph, John A Platt, Bernadette M Cousins, and Leslie L Griffiths.*

Church and Charity Objectives

- The charity's objects are, for the public benefit, to advance the Christian faith in accordance with the statement of beliefs, in Salford, Manchester and in such other parts of the United Kingdom and the world as the trustees may from time to time think fit.
- **Our vision statement comes from Matthew 22:37-38**, where the Lord Jesus said that the greatest commandment was to "love the Lord your God with all your heart, with all your soul, and with all your mind. This is *the* first and great commandment" and it is "*that we would be voluntary, extravagant, wholehearted lovers of God*".

TRUSTEES REPORT (continued)**Public Benefit:**

The church seeks to proclaim and teach the Christian faith at home and overseas and to engage in relief and support work in the community and further afield. It seeks to assist others to grow and mature in their Christian Faith by providing a variety of services, activities and ministries which are open to church members and members of the public and aims to reach peoples of all ages through the following:-

- **Public Services:** Held on Sundays mornings to preach, teach and reach the members and others who attend and be available to interested members of the public.
- **Kids' Church:** On Sunday mornings, concurrent with the morning service for ages 3-10 years. Provides teaching and a fun time for children of church members and from the local community.
- **"Mouteens" – Teenagers' Work:** On Sunday mornings, concurrent with the morning service for ages 11-17 years. Provides teaching and a fun time for young people from families of church members and from the local community.
- **French-Speaking Service** – A weekly Sunday afternoon service in the French language. There is a considerable demand for this in the area and attendance is regularly in excess of 30 adults and children and interest is growing.
- **Parent and Toddler Groups – twice weekly:** During term times we run a group for families and their pre-school age children. All are welcome from the local community to come and let their children play and meet other parents from the area.
- **Mission Focus Meetings:** Mount Chapel supports full time missionaries in France, India, Zimbabwe and the UK while some of our members undertake short term mission work from time to time. Mission Focus is a platform for our community to learn about what God is doing in the world.
- **Prayer meetings:** Prayer is important to the church, and the church is made available for people to come and pray for individual, church, community, national and global needs.
 - **Prayer Meetings:** As arranged
 - **Deborah Arise Prayer:** A weekly ladies' prayer group, praying for young people and those who have wandered from their faith.
 - **Prayer Chain:** Mount Chapel operates a prayer chain through which items for prayer are communicated to the church.

TRUSTEES REPORT (continued)

- **Alpha & Christianity Explored Courses:** Provided as required for those who wish to enquire about the Christian faith.
- **Annual Church Weekend Away:** For teaching and development of friendship and fellowship.
- **Food Bank:** Collection of food items is promoted within the church and regular donations are made to the local Salford Central Food Bank.
- **Mount Chapel Champions:** We work with the local branch of Age UK to provide accommodation at Mount Chapel for a weekly meeting of a support group for those living with early on-set dementia – with the help and support of some church members. Age UK pay a small hire charge for use of the building.
- **New Frontiers, Christ Central** – Mount Chapel is a member of New Frontiers, Christ Central, an informal network of churches with similar theology and objectives. Several visiting speakers from within that network helped with the Sunday morning service ministry during the year.

Summary of Main Highlights in 2020:**Church Services & Events**

- **Teaching Programmes** included a series on Matthew Chapter 5 followed by a number of short series and individual sermons.
- **Other Services and Events** included Good Friday, Christmas Carol Service, Christmas Day, Harvest and Kids' Church Prize-giving.
- **The Annual Church Meeting** was scheduled for 29th March 2020 but, due to Covid restrictions, was delayed and held on-line on 10th May 2020.
- **Marriages & Funerals** – No marriages or funerals took place at Mount Chapel in 2020.
- **"Mid-Week Home"** – A mid-week event with a focus on whole family involvement including an early-evening meal was held monthly until commencement of the first Covid lockdown.
- **"Into the Word"** – A series of 12 sessions held monthly on Saturday mornings in conjunction with Christ Central Manchester. These studies explored the key events and chronology of the Bible. Commencing as face to face sessions, these moved on-line at the beginning of the first lockdown.

TRUSTEES REPORT (continued)

- **Studies in Revelation** - An on-line series of six studies in the book of Revelation.

Covid-19

Restrictions continue to be in place as a result of the global Covid-19 pandemic. Mount Chapel is operating in accordance with government directives and guidelines. Normal services and meeting were suspended at the beginning of the first lockdown in March 2020 and the building continues to be closed for those activities at the present time though consideration is being given to the safe re-opening in line with government guidance and practical considerations. Services and meetings are being held by on-line “virtual meeting” platform which has enabled the majority of activities to continue throughout with the notable exceptions of the Parent and Toddler Group, “Mid-week Home” and the “Mount Chapel Champions” group.

The Safeguarding Policy has been updated and approved by the Trustees including the necessary safeguards for on-line meetings with particular reference to children and adults at risk. Services, meetings and other normal use of the building will be resumed only when Trustees are satisfied that they can be carried out safely and within government directives and guidelines in force at the time.

Financial

- In 2020 there was a **Deficit of £ 9,455** (2019: **Deficit of £ 10,257**)
- Capital Additions in 2019 and 2020 amounted to £0
- Depreciation charged in 2020 and 2019 amounted to £11,155 each year, and this was the main reason for the deficit in both years.
- A 10 year loan of £45,000 was acquired from Stewardship Services (UKET) Ltd. to help fund the modernisation and improvement of the Chapel and its facilities. Repayment of this loan began in January 2019. This had been reduced to £ 37,390 at year end 31st December 2020 {£ 41,281 @ 31.12.2019}.

Health & Safety

- The 5-Star Food Hygiene Rating was retained. All personnel supervising food preparation in the kitchen area are required to hold a current Level 2 Food Safety Certificate.
- The Fire Risk Assessment was reviewed according to the annual schedule.
- Ongoing review of Risk Assessments for all activities continued periodically as per schedule.
- Basic Life Support training (including operation of the portable defibrillator) and Fire Marshal training is required for all authorised key-holders and is an ongoing programme including refresher training.

TRUSTEES REPORT (continued)**Safeguarding**

- The Safeguarding Policy was updated during 2020 incorporating the latest changes in legislation and including the necessary safeguards for on-line meetings with particular reference to children and adults at risk.
- Training on the Policy and updated regulations has been carried out for all DBS checked personnel – both employees and volunteers – and is an ongoing programme of refresher training.

Reporting Accountant & Independent Examiner

The church appointed and has been served by David R S Welch FCA, DChA, as their Reporting Accountant and Independent Examiner since the incorporation of Mount Chapel Limited, from its previous Trust status in July 2013.



John A Platt
Trustee and Treasurer

Date: 20th July 2021

**Independent Examiners Certificate & Report
To the Trustees and Members of Mount Chapel**

I report on the accounts of the Church for the Year Ended to 31st December 2020, as shown on pages 8 – 13 attached.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

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

It is my responsibility to:-

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

BASIS OF INDEPENDENT EXAMINER'S REPORT

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

INDEPENDENT EXAMINER'S STATEMENT

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

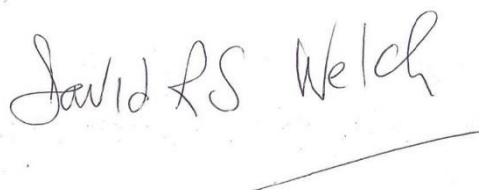
(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 130 of the Charities Act and*
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act.*
- have not been met, or*

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

**DAVID R S WELCH FCA, DChA.
CHARTERED ACCOUNTANT**

3 Alvington Grove, Hazel Grove
Stockport, Cheshire. SK7 5LS



Date: 20th July 2021

Income & Expenditure Account
Year Ended 31st December 2020

	Unrestricted	Restricted	Total	Total
RESOURCES RECEIVED	Funds	Funds	Funds	Funds
Notes 1 & 2	2020	2020	2020	2019
	£	£	£	£
FROM MAIN CHARITABLE ACTIVITIES				
Gifts and Offerings	48,250	0	48,250	55,474
Gift Aid Income Tax Refunds-HMRC Charities	12,008	0	12,008	13,900
Use of Chapel	315	0	315	2,510
Bank Interest	1	0	1	15
Building Fund Gifts & Receipts	0	0	0	0
Project Fund	650	0	650	620
Other Gifts & Donations	0	650	650	660
TOTAL INCOME FOR YEAR	£ 61,224	£ 650	£ 61,874	£73,179
	Unrestricted	Restricted	Total	Total
RESOURCES EXPENDED	Funds	Funds	Funds	Funds
Notes 3, 4, 5 & 6	2020	2020	2020	2019
	£	£	£	£
FOR MAIN CHARITABLE ACTIVITIES				
Ministry & Fellowship Costs (incl. Staff)	32,703	0	32,703	34,754
Outreach and Missionary Support Costs	9,261	650	9,911	10,349
Mount Chapel Maintenance & Utility Costs	20,129	0	20,129	24,272
Building Maintenance Fund	6,310	0	6,310	11,639
Loan Interest Paid	1,581	0	1,581	1,752
CHARITABLE ACTIVITY COSTS	69,984	650	70,634	82,766
GOVERNANCE COSTS				
Independent Examination	695	0	695	670
TOTAL COSTS FOR YEAR	£ 70,679	£ 650	£ 71,329	£ 83,436
SURPLUS / (DEFICIT) FOR YEAR	£ (9,455)	£ 0	£ (9,455)	£ (10,257)
Trustees Funds b/forward	£ 484,263	£ 0	£ 484,263	£ 494,520
Biffa Landfill Communities Grant	0	0	0	0
Transfer of funds	0	0	0	0
Trustees Funds c/forward	£ 474,808	£ 0	£ 474,808	£ 484,263

Balance Sheet**As at 31st December 2020**

	Note	2020 £	2019 £
Fixed Assets	7 & 8	£ 496,363	£ 507,518
Current Assets			
Stocks	9	3,220	3,128
Gift Aid Debtor		9,003	10,637
Other Debtors & Loans		0	210
Prepaid Expenses		941	0
Cash at Bank		5,148	8,092
Cash in Hand		130	0
Total Current Assets		£ 18,442	£ 22,067
Current Liabilities			
Creditors & Accrued Utility Charges		485	964
HMRC re PAYE & NIC		1,427	0
Lighting Retention / SSE dispute		0	2,407
Independent Examiner		695	670
Stewardship Loan due < 1 Year	10	4,049	3,890
Total Current Liabilities		£ 6,656	£ 7,931
NET CURRENT ASSETS		£ 11,786	£ 14,136
TOTAL NET ASSETS BEFORE		£ 508,149	£ 521,654
CREDITORS DUE > 1 YEAR			
Stewardship Loan due > 1 Year	10	(33,341)	(37,391)
NET ASSETS		£ 474,808	£ 484,263
Represented by:-		£	£
Unrestricted Funds	11	£ 474,808	£ 484,263
Restricted Funds		0	0
TRUSTEE FUNDS		£ 474,808	£ 484,263
(DE)/INCREASE IN TRUSTEE FUNDS FOR YEAR		£ (9,455)	£ (10,257)

John A Platt
Director & Trustee

Date: 20th July 2021



Notes to Financial Statements

THE BASIS OF ACCOUNTING POLICIES AND DEFINITIONS

- a) **THE ACCOUNTS** have been prepared under the historical cost convention in accordance with applicable accounting standards and the Charities Act 2011 and Statement of Recommended Practice (SORP) 2005.
- b) **GENERAL FUNDS** represent unrestricted funds that are not subject to any restriction regarding their use and are available for application towards their use for purposes of a general nature.
- c) **RESTRICTED FUNDS** represent funds restricted by the donor for a particular purpose.
- d) **DESIGNATED FUNDS** represent funds that have been allocated out of Unrestricted funds by the Trustees of Mount Chapel, for specific events or liabilities Mount Chapel is committed to.
Any remaining balance is returned to unrestricted funds when events have been held.
- e) **INCOMING RESOURCES** are included in the Statement of Financial Activities (SoFA) when:-
- Mount Chapel becomes entitled to the resources
 - The trustees are virtually certain they will receive the resources; and
 - The monetary value can be measured with sufficient reliability.
- f) **GRANTS & DONATIONS** are included in the SoFA when Mount Chapel has unconditional entitlement to the resources.
- g) **INVESTMENT INCOME** is included in the SoFA when receivable.
- h) **RESOURCES EXPENDED** are recognised when costs have been incurred, or for designated or special gifts, in the same accounting period as the related gift is received.
- i) **TANGIBLE FIXED ASSETS** are capitalised at cost when incurred. For assets bought in previous years, and included at valuation the resultant increase in value in assets from previous years will be identified as income, in Voluntary Incoming Resources.
- j) **DEPRECIATION OF TANGIBLE FIXED ASSETS** is included in resources expended, to write off the assets over their useful life. See notes 3 and 6 for further details.
- k) **LIABILITY RECOGNITION** – Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources. Liabilities due in more than one year are shown separately, so Net Current Assets reflects only those liabilities payable within the next financial year.
- l) **GOVERNANCE COSTS** – The preparation and examination Mount Chapel's annual statutory accounts. It can also include AGM & trustee meeting expenses, and constitutional legal advice given to trustees.

Notes to Income & Expenditure Account

	2020	2019
	£	£
1. Income to the General Fund:		
Offerings	48,250	55,474
Earmarked Gifts	0	0
Use of Chapel	315	2,510
Gift Aid Income Tax Refund & Bank Interest	12,009	13,915
Other Gifts & Donations	650	660
	£61,224	£ 72,559
2. Restricted Income		
Building Fund	0	0
Biffa Grant towards development costs	0	0
Project Fund	650	620
	£ 650	£ 620
3. Expenditure on Maintenance & Utilities		
Depreciation of Church Roof and Equipment (NON-CASH)	11,155	11,155
Electricity, Water, Telephone	6,212	9,542
Gardening & Window Cleaning, etc.	1,833	2,089
Repairs, Replacements, Consumables etc.	929	1,486
	£ 20,129	£ 24,272
3 a) Governance – Charity Accounts & I/E	£ 695	£ 670
4. Expenditure on Ministry & Fellowship:		
General Ministry - Flowers, Wine, Literature etc.	1,749	1,014
Printing, Stationery, Publicity Materials	686	332
Catering	86	714
Kids' Church & Other Groups	425	1,783
Speakers' Expenses & Gifts	885	1,905
Salaries & Staff Overheads	27,351	26,607
Fellowship	190	491
Other Ministry Expenses	1,331	1,908
	£32,703	£ 34,754
5. Expenditure on Outreach:		
Gifts to Homeworkers & Missionaries	8,261	8,129
Outreach Expenses, Gifts to Organisations etc.	1,000	1,600
"Boaz" Homeless Work	0	0
Specific Projects (<i>Restricted</i>)	650	620
	£ 9,911	£ 10,349
6. Expenditure on Building Maintenance & Insurance	£ 6,310	£ 11,639
Note re Balance Sheet Expenditure		
7. Expenditure on Building Development (Capital)	£ 0	£ 0

8. Fixed Assets

	Church & Buildings £	Fixtures, Roof, & Equipment £	Total Fixed Assets £
COST/VALUATION @ 01.01.2020	£ 350,000	£ 186,855	£ 536,855
Additions – Building Refurbishment	0	0	0
Additions – Carpets, Audio & Fittings	0	0	0
Disposals in Year	0	0	0
COST/VALUATION @ 31.12.2020	£ 350,000	£ 186,855	£ 536,855
DEPRECIATION @ 01.01.2020	£ 0	£ 29,337	£ 29,337
Charge - year (Building Improvements) 2%	0	1,882	1,882
Charge - year (Fixtures & Equipment) 10%	0	9,273	9,273
Eliminated on Disposals	0	0	0
DEPRECIATION @ 31.12.2020	£ 0	£ 40,492	£ 40,492
NET BOOK VALUES @ 31.12.2020	£ 350,000	£ 146,363	£ 496,363
NET BOOK VALUES @ 31.12.2019	£ 350,000	£ 157,518	£ 507,518

Notes on Fixed Assets:-

- The Trustees commissioned Stephen Peter Welch FRICS, of Byrom Clark Roberts, Surveyors & Valuers, to provide them with an up to date valuation of the church building and premises, to include in the 2015 accounts for MOUNT CHAPEL LIMITED, company number 08624944. **The valuation adopted was the Market Value valuation of £350,000.** A second valuation, the Asset Value of £490,000, was also provided by Byrom Clark Roberts. This was based on today's cost of replacing the asset, less an allowance for depreciation on the basis that the present building is 50 years old, having been built in 1966. However, the Directors and Trustees thought that the Market Value was more representative of what would be realised on the open market, should the building and site at any time be sold.
- The Mount Chapel Church Building is not being written off, but kept at valuation.** However, the church improvements are being depreciated at 2% on cost (£94,125); church equipment & fixtures (£92,730) continue to be written off over 10 years (10% on cost/valuation). **These amounts make up the Fixtures, Building Improvements, Roof and Equipment total of £186,855.**
- Biffa Grant Monies were claimed and received in the year ended 31.12.2018. totalling £73,000 towards capital expenditure incurred. These came from a Landfill Communities Fund, and any remaining monies left, if unspent, would be required to be transferred to another such scheme, and not a charity with a similar scheme, if the church were to close in the future.
- The Trustees can confirm that the grant monies have been spent, and there are no Grant Monies left within Trustee Funds, so no future contingent liability exists.**

	2020	2019
9. Value, at cost of Stock at year end:		
General Ministry Items	507	383
Maintenance, Lighting & Cleaning Materials	2,154	2,204
Catering Items	156	128
Printing, Stationery, Publicity Materials etc.	403	413
Bookstall Stock	0	0
Total Stocks	£ 3,220	£ 3,128

10. Creditors due in more than one year

- The Loan from Stewardship of £45,000 was received just before the 2018 year end. By the 2019 year end £41,281 was still owing on the loan, to be paid over 9 years. In 2020 capital repayments amounted to £3,890, and interest charged on the loan was £ 1,581. **The balance owing at 31st December 2020 was £ 37,390.**
- It is to be paid off over 10 years, the first monthly repayment of £456 per month, including 4% interest, was made in January 2019. There is provision for the loan to be paid off earlier without financial penalty, if this is possible.
- **The accounts show the capital repayable within one year as £ 3,890 in 2020, and is expected to be £4,049 in 2021.**
- **The loan repayable in over 1 year is now.....£33,341, and will be repaid as:-**
 1} £ 17,914 in 2-5 years {2022-2025}, &
 2} £ 15,427 {2026-2028} In over 5 years
- **Total Loan repayable is £45,000.**
- The above split assumes interest is calculated on the 'Rule of 78' basis, where interest in the early years is higher than the last few years.

11. Trustee Funds

		2020 £	2019 £
Unrestricted Funds			
General Funds		51,808	61,263
Designated Funds		0	0
Revaluation Reserve			
Value of Freehold Land	{Note 8}	350,000	350,000
Biffa Community Fund			
Contribution to Refurbishment			
& New Equipment/Resources	{Note 8}	73,000	73,000
Total Unrestricted Funds		£ 474,808	£ 484,263
Total Restricted Funds		£ 0	£ 0
Total Funds		£ 474,808	£ 484,263