

Mount Chapel

Accounts and Independent Examiners Report

Year Ended 31st December 2021

Accountant and Independent Examiner

**David R S Welch FCA, DChA
Chartered Accountant**

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



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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 2021, with 2020 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.
- Mount Chapel Purpose and Vision statements:-
Our Purpose statement, to **"Enjoy Jesus in Word, Spirit and Mission"** answers the question "Why are we here?".
Our Vision statement, to **"Build Up Others in The Life God Gives"** answers the question "What do we do next?".

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.
- **"Mounteens" – 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 2021:**

Church Services & Events

- **Teaching Programmes** included a series on 'Our Assignment' explaining the newly updated Purpose & Vision statements, a series on 'The Cross' and a series entitled 'Let Us' from Hebrews Chapter 10. There were also a number of individually themed sermons.
- **Other Services and Events** included Good Friday, Christmas Carol Service, Christmas Day, Harvest and Kids' Church Prize-giving.
- **The Annual Church Meeting** was held on-line on 15th May 2022.
- **Marriages & Funerals** – No marriages took place at Mount Chapel in 2021. One funeral was held of a longstanding member and former church leader on 21st December 2021.
- **"Mid-Week Home"** – A mid-week event with a focus on whole family involvement including an early-evening meal held monthly.

TRUSTEES REPORT (continued)

Covid-19

Mount Chapel is operating in accordance with government directives and guidelines. Normal Sunday services were resumed in July 2021, on-line access being maintained for the benefit of those who were shielding or were cautious about meeting face-to-face. Other meetings and activities are gradually re-opening in line with government guidance and practical considerations. At the end of 2021 the Parent and Toddler Group, "Mid-week Home" and the "Mount Chapel Champions" group were still to resume.

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 uses of the building are reviewed regularly to satisfy Trustees that they can be carried out safely and within government directives and guidelines in force at the time.

Financial

- In 2021 there was a **Deficit of £ 8,620** (2020: **Deficit of £ 9,455**)
- Capital Additions in 2021 amounted to **£2,283. These are to be written off over 3 years at £761 p.a.**
- Depreciation charged for building and improvements in 2021 and 2020 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 £33,336 at year end 31st December 2021 (£37,390 @ 31.12.2020).

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 2021 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 2022

**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 2021, 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:

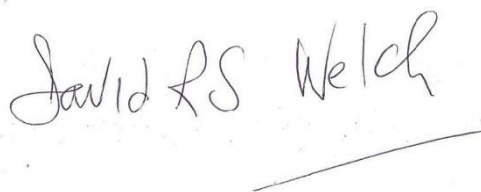
(1) which gives me reasonable cause to believe that in any material respect the requirements

- *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*

A handwritten signature in dark ink that reads "David R S Welch". The signature is written in a cursive, flowing style. Below the signature, there is a horizontal line that starts under the first part of the signature and extends to the right, ending under the last part of the signature.

Date: 20th July 2022

Income & Expenditure Account
Year Ended 31st December 2021

	Unrestricted	Restricted	Total	Total
RESOURCES RECEIVED	Funds	Funds	Funds	Funds
Notes 1 & 2	2021	2021	2021	2020
	£	£	£	£
FROM MAIN CHARITABLE ACTIVITIES				
Gifts and Offerings	46,175	0	46,175	48,250
Gift Aid Income Tax Refunds-HMRC Charities	12,134	0	12,134	12,008
Use of Chapel	520	0	520	315
Bank Interest	0	0	0	1
Building Fund Gifts & Receipts	0	0	0	0
Project Fund	0	930	930	650
Other Gifts & Donations	93	2,337	2,430	650
TOTAL INCOME FOR YEAR	£58,922	£3,267	£62,189	£ 61,874
	Unrestricted	Restricted	Total	Total
RESOURCES EXPENDED	Funds	Funds	Funds	Funds
Notes 3, 4, 5 & 6	2021	2021	2021	2021
	£	£	£	£
FOR MAIN CHARITABLE ACTIVITIES				
Ministry & Fellowship Costs (incl. Staff)	31,555	0	31,555	32,703
Outreach and Missionary Support Costs	9,542	2,410	11,952	9,911
Mount Chapel Maintenance & Utility Costs	22,589	0	22,589	20,129
Building Maintenance Fund	2,601	0	2,601	6,310
Loan Interest Paid	1,417	0	1,417	1,581
CHARITABLE ACTIVITY COSTS	67,704	2,410	70,114	70,634
GOVERNANCE COSTS				
Independent Examination	695	0	695	695
TOTAL COSTS FOR YEAR	£68,399	£2,410	£70,809	£ 71,329
SURPLUS / (DEFICIT) FOR YEAR	£ (9,477)	£ 857	£ (8,620)	£ (9,455)
Trustees Funds b/forward	£ 474,808	£ 0	£ 474,808	£ 484,263
Transfer of funds	0	0	0	0
Trustees Funds c/forward	£465,331	£ 857	£466,188	£ 474,808

Balance Sheet
As at 31st December 2021

	Note	2021 £	£	2020 £	£
Fixed Assets	7 & 8		£ 486,730		£ 496,363
Current Assets					
Stocks	9	3,172		3,220	
Gift Aid Debtor		3,209		9,003	
Other Debtors & Loans		0		0	
Prepaid Expenses		15		941	
Cash at Bank		10,172		5,148	
Cash in Hand		0		130	
Total Current Assets		£ 16,568		£ 18,442	
Current Liabilities					
Creditors & Accrued Utility Charges		577		485	
HMRC re PAYE & NIC		1,474		1,427	
EDF Electric		1,028		0	
Independent Examiner		695		695	
Stewardship Loan due < 1 Year	10	4,214		4,049	
Total Current Liabilities		£ 7,988		£ 6,656	
NET CURRENT ASSETS			£ 8,580		£ 11,786
TOTAL NET ASSETS BEFORE			£ 495,310		£ 508,149
CREDITORS DUE > 1 YEAR					
Stewardship Loan due > 1 Year	10		(29,122)		(33,341)
NET ASSETS			£ 466,188		£ 474,808
Represented by:-			£		£
Unrestricted Funds	11		£ 465,331		£ 474,808
Restricted Funds			857		0
TRUSTEE FUNDS			£ 466,188		£ 474,808
(DE)/INCREASE IN TRUSTEE FUNDS FOR YEAR			£ (8,620)		£ (9,455)

John A Platt
 Director & Trustee

Date: 20th July 2022



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

	2021	2020
1. Income to the General Fund:	£	£
Offerings	46,175	48,250
Earmarked Gifts	0	0
Use of Chapel	520	315
Gift Aid Income Tax Refund & Bank Interest	12,134	12,009
Other Gifts & Donations	93	650
	£58,922	£61,224
2. Restricted Income		
Building Fund	0	0
Child Sponsorship Fund	2,337	0
Project Fund	930	650
	£3,267	£ 650
3. Expenditure on Maintenance & Utilities		
Depreciation of Church Roof and Equipment (NON-CASH)	11,916	11,155
Electricity, Water, Telephone	6,532	6,212
Gardening & Window Cleaning, etc.	1,737	1,833
Repairs, Replacements, Consumables etc.	2,404	929
	£ 22,589	£ 20,129
3 a) Governance – Charity Accounts & I/E	£ 695	£ 695
4. Expenditure on Ministry & Fellowship:		
General Ministry - Flowers, Wine, Literature etc.	693	1,749
Printing, Stationery, Publicity Materials	700	686
Catering	25	86
Kids' Church & Other Groups	164	425
Speakers' Expenses & Gifts	1,055	885
Salaries & Staff Overheads	27,924	27,351
Fellowship	585	190
Other Ministry Expenses	409	1,331
	£31,555	£32,703
5. Expenditure on Outreach:		
Gifts to Homeworkers & Missionaries	8,348	8,261
Outreach Expenses, Gifts to Organisations etc.	1,194	1,000
Child Sponsorship (<i>Restricted</i>)	1,480	0
Specific Projects (<i>Restricted</i>)	930	650
	£11,952	£ 9,911
6. Expenditure on Building Maintenance & Insurance	£2,601	£ 6,310
Note re Balance Sheet Expenditure		
7. Expenditure on Zoom AV & Computer (Capital)	£2,283	£ 0
8. Loan repayments to Stewardship {excl. interest}	£4,054	£3,890

8. Fixed Assets

	Church & Buildings £	Fixtures, Roof, & Equipment £	Total Fixed Assets £
COST/VALUATION @ 01.01.2021	£ 350,000	£ 186,855	£ 536,855
Additions – Building Refurbishment	0	0	0
Additions – Zoom, Computer/AV	0	2,283	2,283
Disposals in Year	0	0	0
COST/VALUATION @ 31.12.2021	£ 350,000	£ 189,138	£ 539,138
DEPRECIATION @ 01.01.2021	£ 0	£ 40,492	£ 40,492
Charge - year (Building Improvements) 2%	0	1,882	1,882
Charge - year (Fixtures & Equipment) 10%	0	9,273	9,273
Charge - year (Computer/AVEquip.zoom) 33%	0	761	761
Eliminated on Disposals	0	0	0
DEPRECIATION @ 31.12.2021	£ 0	£ 52,408	£ 52,408
NET BOOK VALUES @ 31.12.2021	£ 350,000	£ 136,730	£ 486,730
NET BOOK VALUES @ 31.12.2020	£ 350,000	£ 146,363	£ 496,363

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.**

	2021	2020
9. Value, at cost of Stock at year end:		
General Ministry Items	524	507
Maintenance, Lighting & Cleaning Materials	2,105	2,154
Catering Items	130	156
Printing, Stationery, Publicity Materials etc.	413	403
Bookstall Stock	0	0
Total Stocks	£ 3,172	£ 3,220

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 2020 year end £ **37,390** was still owing on the loan, to be paid over 8 years. In 2021 capital repayments amounted to £4,054, and interest charged on the loan was £ 1,417. **The balance owing at 31st December 2021 was £ 33,336.**
- 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 £ 4,214 in 2021, and is expected to be £4,386 in 2022.**
- **The loan repayable in over 1 year is now.....£29,122 and will be repaid as:-**
 1} £ 18,645 in 2-5 years {2023-2026}, &
 2} £ 10,476 {2027-2028} 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

		2021 £	2020 £
Unrestricted Funds			
General Funds		42,331	51,808
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		£ 465,331	£ 474,808
Total Restricted Funds		£ 857	£ 0
Total Funds		£466,188	£ 474,808