

Emmanuel Church, Leftwich
Trustees annual report and
Summary of Accounts
Year Ending 31st December 2020

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Emmanuel Church Leftwich

Annual Report & Statement of Financial Accounts for the year ending 31.12.20

Pastor: D Williams

Bankers: Santander Bank, NatWest Bank, CAF through Shawbrook Bank

Independent examiner: Rev'd A.A. Clements MA, ACIB, FCIE

15 Carleton Road, Great Knowley, Chorley PR6 8TQ

CIO Ref 1169854

Aim & Purpose:

The purposes of the church, as detailed in the Constitution are:

1. The advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Leftwich and the surrounding neighbourhood, and
2. such other charitable purposes as shall in the opinion of the charity trustees put into practice the teaching of the Lord Jesus Christ in accordance with the Basis of Faith

Objectives and Activities:

The Trustees of Emmanuel Church Leftwich are committed to enabling as many people as possible to worship at our church. The elders maintain an overview of all services and meetings held at the church ensuring that their purpose and function meets that of the church constitution and handbook. Our services and worship put faith into practice through prayer, Scripture reading and teaching, music and the Lord's Table.

When planning our activities for the year the Elders have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. Specifically, we try to enable ordinary people to live out their faith through:

Worship and prayer; learning about the Gospel and developing their knowledge and trust in Jesus Christ.

Provision of pastoral care and encouragement for those in the fellowship.

Missionary and outreach work

To facilitate the work it is important that we maintain the fabric of the Church building.

Achievements & Performance

COVID 19

In March 2020, because of the global COVID 19 pandemic, the UK government required all churches to close and prohibited any gathering between different households. To facilitate the ongoing ministry of the church, Sunday services and mid-week fellowship meetings were streamed via the internet and/or You Tube.

Throughout 2020 and during different waves of the pandemic the church has conducted a combination live and streamed services. All live services took place in accordance with a risk assessment and were conducted in alignment with UK government COVID-secure guidelines.

The COVID 19 pandemic resulted in many of the weekly events ceasing. Where appropriate BlueJeans Video conferencing meetings took place. As leaders we pray and trust that The Lord will care for His flock in a way that we are prohibited from doing.

Worship & Prayer

The Elders of the church are keen to offer a range of services during the week and over the course of the year that our membership and wider community find both beneficial and spiritually fulfilling. For reasons stated above re the COVID 19 pandemic, the format of regular meetings was changed considerably in 2020. However, the Elders remain keen that services are accessible to as many people as possible both from within the church family or the wider community. Services are posted on an Emmanuel Church Leftwich YouTube channel and are open for anyone to view. Our pray is that this new availability of services would be used by the Lord for his glory in ways that we cannot imagine.

At present there are 51 members of ECL. However, attendance at the streamed Sunday services can often be much more than this.

Eldership and Diaconate

There are 4 Elders and 2 Deacons appointed by the church membership. Appointment to these roles is detailed in the Church Handbook. The Elders provide the spiritual leadership of the church whilst the Deacons are appointed to manage specific responsibilities such as finance, and fabric.

In addition, the church has appointed a Trainee Pastor for an initial duration of 2 years from 1st Nov 2019. The Trainee Pastor will support the full time Pastor in a range of activities as well as undertaking formal training. The Trainee Pastor is not appointed as an elder or trustee, though may attend their meetings as a training and development opportunity. It was agreed at a member's meeting in November that the Trainee Pastor be offered a 3rd year with the church, which was accepted by the Trainee Pastor.

Church Fabric

During 2020 the main church building has been fully emptied in advance of its demolition in Q2 2021 as part of the New Church Building project. Items that were not required were sold whilst other items have been moved into long term storage.

A project management company (C4) was engaged in early 2020 to act on behalf of ECL in building the new church. Following some dissatisfaction with their management of the project the Trustees agreed to change project management to another company (PM2). This followed much prayer and consideration. The Trustees and building committee are much more satisfied with the performance of PM2.

The new building project continues to be managed on behalf of the Trustees by a small committee of suitably experienced individuals. The reserves set aside for the building project are clearly detailed in the SOFA attached.

At the end of 2020 the existing church building is being prepared for demolition in preparation for work to commence on the new build in Spring 2021.

Mission and Outreach

Reaching out to those in need, both spiritually and practically, is a demonstration of our faith. Local and global outreach is an important factor of our fellowship.

The COVID 19 pandemic prevented the children's ministry continuing in a normal way. Contact with the children, who would usually have attended events during the week, has been maintained as best possible. Though this is not ideal the trustees thank all the volunteers in the church for their hard work during a very difficult time.

Where possible and legally permitted the church has reached out to the local community. An example of this was the distribution of food hampers at Christmas to a number of families in Leftwich.

Other Activities

The church building is also utilised by external organisations such as Mid Cheshire Food Bank, Slimming World and Cheshire West and Chester Council – though again, this ceased in March 2020 due to COVID 19.

Volunteers

We would like to thank all the volunteers who work so hard to make our church the lively and vibrant community that it is. In particular, we would like to thank the leaders of the various church ministry departments who work tirelessly to serve the church and those who attend. Without their dedication and commitment, it would not be possible for the church to serve the fellowship and wider community in the effective way that it does.

Risk Assessment

The trustees recognise that in relation to "Risk Assessment" risk is defined as "the threat of any action or event that will adversely affect an organisation's ability to achieve its objectives and execute its strategies". It also accepts that the term "risk" can include any circumstances that may, or do, have an adverse effect, and is wider than financial matters. "Risk" relates not only to the negative consequences of a threat, but also to the impact of not taking advantage of opportunities.

The Trustees recognise that they require a practical Health and Safety Policy covering activities for both the church and its surrounding grounds. This is reviewed on a regular basis. An accident book is maintained.

The contents and obligations of the Equality Act 2010 and the 2018 General Data Protection Regulation are known and complied with to the best of the Trustee's ability. The Trustees are aware of their responsibilities in respect of the Regulatory Reform (Fire Safety) Order 2005 in its requirement to carry out a fire assessment to identify any possible dangers and risks, and to take action to minimise the risks and to create a plan to deal with any emergencies, and also to write up and keep a record of its findings and to review its assessment annually. The Trustees have appointed a Fabric Deacon to be the responsible person to put these findings into operation.

There is a Safeguarding Policy in place in respect of children and vulnerable adults. Checks have been and are made with the Disclosure and Barring Service (formerly the CRB) in respect of persons dealing regularly with young people and vulnerable adults. The Trustee's appointed officer for this is Mr. Andrew Garnett. While it is impossible to eliminate all risks and their consequences, efforts are constantly made to minimise such occurrences.

Financial review: - see appendix 1

Reserves Policy

It is the trustee's policy to maintain a balance on unrestricted funds (if possible), which equates to at least three months unrestricted payments. Equivalent to £25,000, to cover emergency situations that may arise from time to time.

At the 31st December 2020 there were unrestricted funds of £38,881 which exceeds the minimum amount above.

Structure, Governance and Management

The method of appointment of Trustees, Elders & Deacons is set out in the Church Constitution and Church Handbook.

The Elders of the church are responsible for the general leadership of the church, making decisions on spiritual, pastoral and directional matters. Such matters that the Elders deem appropriate are brought to the members of the church for wider discussion and approval.

The Elders of the church meet together formally on a monthly basis. The Trustees meet together on a quarterly basis. Throughout the year there are typically four (or more if deemed appropriate) formal members' meeting, including the AGM.

Administrative Information.

Emmanuel Church Leftwich is situated on the Leftwich Housing estate. The correspondence address for the church is:

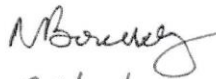
Church Administrator, Old Hall Road, Leftwich, Northwich, Cheshire CW9 8BJ

Church Pastor:	Pastor D. Williams
Elders & Trustee:	N. Bouckley (Chairman)
Elders & Trustee:	A. Coleclough (Secretary)
Elder & Trustee:	G Kearney (Service Co-ordinator)
Deacon:	D. Irwin (Building Committee Chairman)
Deacon:	D. A. Cameron (Treasurer)
Church Worker:	C. Williams
Church Administrator:	A. Bouckley

It is understood that all those who could be considered to be "managers" in the activities and affairs of Emmanuel Church, Leftwich are deemed to be "fit and proper persons" under the terms of the Finance Act 2010. Trustee training is available as and when required.

Approved by the Trustees Meeting on

N Bouckley


26/01/2021

G Kearney


10 FEB 2021

Statement of Financial Activities 1 Jan 20 – 31 Dec 20

	Unrestricted Funds	Designated Funds	Total Funds	Prior Period 12 months
Income and Endowments				
Donations eligible for Gift Aid	£88,724			£67,607
Cash Donations	£8,830			£3,983
Gift Aid claimed from HMRC	£21,155			£17,680
Rent from Accommodation	£487			£3,174
Gifts for Mission				£1,190
Income for books and Bibles				£1,113
Transfers to Building Fund				£471
Donations to Building Fund eligible for Gift Aid		£47,455		£35,180
Other Donations to Building Fund		£76,314		£101,398
Gift Aid claimed from HMRC		£10,186		£9,569
Transfers to Building Fund		£422		£1,215
Interest		£6,043		£5,413
Total	£119,196	£140,420	£259,194	£374,463
Expenditure on				
Church administration (Note1)	£83,631			£62,859
Church establishment (Note 2)	£11,408			£20,048
Teaching & Outreach (Note 3)	£2,764			£5,368
Mission (Note 4)	£16,886			£16,976
New Building Fund Expenses (Note5)	£28,200	£32,273		£24,924
Other Transfers to Building Fund	£422			
Total (Note 6)	£143,311	£32,273	£175,162	£130,175
Net income/expenditure for year	-£24,115	£108,147	£84,032	£291,197
			1	
Reconciliation of Funds				
Total Funds brought forward	£62,996	£789,434	£852,430	£735,086
Total Funds carried forward	£38,881	£897,580	£936,462	£852,430

SECTION B: Balance Sheet

	SoFA Balance Sheet	Unrestricted Funds	Designated Funds	Total this year	Total last Year
	Fixed Assets				
	Tangible Assets :-				
	Buildings & Ground	£200,000		£200,000	£200,000
Note 7	Equipment	£15,000		£15,000	£29,730
	Total Fixed Assets	£215,000		£215,000	£229,730
	Current Assets				
	Debtors Q4 Gift Aid	£5,308	£3,345	£8,658	£5,772
	Liabilities	£0	£0	£0	£0
	Cash in Bank and in hand	£38,881	£897,580	£936,462	£852,430
	Total Current Assets	£259,189	£900,925	£1,160,114	£1,087,932
	Funds of the Charity				
	Unrestricted Funds	£259,189			£296,052
	Designated Funds		£900,952		£791,052
	Total Charity Funds			£1,160,114	£1,087,932

Notes referred to in the above accounts can be found in the appendices on pages 13 – 15.

Signature of Chairman Mr Nigel Bouckley

N Bouckley 26/01/21

Signature of Treasurer Mr David Cameron

David A Cameron 5/2/21

Section C: Notes on the Accounts

1.1 Basis of Accounting

This year's accounts have been compiled to comply SORP,FRS102 and the Charities Act 2011.

The church finances are based on two accounts, **the General Fund**(unrestricted) for the day to day functioning of the church and the **Building Fund**(designated) to hold funds for the proposed new church building.

Day to day banking activities were carried out through our **Santander Business Current Account**. The Building Fund resources were spread between the three savings accounts mentioned below.

Most members contribute to the church on a regular basis and have signed Gift Aid forms to enable the church to claim back tax. Gift Aid reclaimed is apportioned to the General Fund or Building Fund in accordance with the donors wishes.

1.2 Going Concern

The General Fund closing balance of £38,881 is down £24,115 on last year. £28,200 was transferred to the Building Fund, otherwise there would have been a surplus of £4,085. The account remains well above the £25,000 to be retained for emergencies. The Building Fund closing balance of £897,580 is up by over £108,000. In spite of the pandemic the church is in good financial health and is certainly a "going concern" but, as always, will need to manage it's resources carefully in the coming year.

1.3 Changes of Accounting Policy

From 1st January 2017 the financial year of the church was changed to match the calendar year. This is the fourth year under this new system.

This year, for the first time, the accounting programme Xero has been used to administer the church accounts.

The General Fund is administered through our **Santander Bank Business Account**,

Our Building Fund resources were split between three savings accounts, a **NatWest Savings account**, a **Shawbrook Bank 60 day notice account** and a **Santander Reserve Savings account**. In June the NatWest Account was closed and subsumed into the Santander Reserve Savings Account in preparation for the start of the new building project.

2.2 Analysis of Income

Our **General Fund income** mainly comes from congregational giving eligible for Gift Aid, and at £88,734 is well up on the £71,690 received last year. Gift Aid claimed, £21,155, is up from £17,671 last year due to increased giving by members.

Rent of the church premises has dropped to £487 as the church has not been in use since mid March.

Overall giving to the General Fund Income is up by 25% at £119,196

Building Fund income again comes mainly from congregational giving. However, we do have a benefactor who has pledged to match our giving to the building fund up to a total of £350,000. During this year he contributed matched funding of £41,000. This was his final contribution to the £350,000 he pledged to give over the years.

This year we also receive grants totalling £28,800.

Members contributions of £47,455 suitable for Gift Aid, together with Gift Aid claimed of £10,186 and bank interest brought the overall Building Fund total to £897,580, up by £108,147.

2.3 Expenditure and liabilities

Expenditure

Overall General Fund expenditure was up by 8.5% to £115,011 (discounting the £28,200 transferred to the Building Fund).

With the church building out of operation since March expenses such as utilities are well down (**See Note 2**).

The church has rented Lach Dennis Village Hall for socially distanced services. Cost in connection with this, including streaming services online have been incurred.

Teaching and Outreach costs are also well down (**See Note 3**) as most church activities have not been able to take place for most of the year.

Staff expenses, however, are well up due to the addition of the trainee pastor's salary. (**See 11.1 below and Note 1**)

The building fund account has incurred expenses of £60,473 this year in preparation for the building of the new church, of which £28,200 was met from the General Fund. (**See note 5**)

Liabilities & Provisions.

At 31st Dec 2020 Tax and National Insurance and pension contributions were up to date. There were no outstanding cheques or payments.

A mortgage is currently being negotiated to allow building to commence in 2021.

Volunteer staff were used to run all regular activities apart from the Youth Group which was run by paid council staff and church volunteers. Such activities are on hold until the new church building is complete and pandemic restrictions allow resumption.

2.4 Assets

The church building and the adjoining manse are empty and ready for demolition. The value of the combined site is approximately £200,000, although no recent evaluation has been done.

The church building has been emptied ready for demolition. Items of use in the new building and capable of being stored, have been put into storage while others have been sold on Ebay. Over £3,000 has been raised in this way.

The value of retained assets as set out in **Note 7** of the appendices has therefore been reduced.

11.1 Staff Costs

Trustee Remuneration & Benefits.

Currently the church has 4 trustees, three of which are on an unpaid voluntary basis.

The church pastor is a trustee and was paid a full-time salary. He also received the following benefits: -

- Royal London Pension Scheme £213/Month (£2556/year)
- Housing Allowance £18/month
- Telephone Allowance £7.50/month
- Work Mileage of 0.45p/mile up to limit then 25p/mile
- Enrolment in the NEST pension scheme (currently 5% of salary + 3% from church)

We have also taken on a trainee pastor on a full-time basis from 1st November 2019. He has also been enrolled in the NEST pension scheme.

Total Staff Costs

· Salaries & Wages	£58,636
· Tax & National Insurance	£13,788
· NEST pension scheme	£4,908
· Royal London Pension Scheme	<u>£2,556</u>
· Total	£79,888

Salary Expenses are well up on last year with a general 2.5% salary increase and a trainee pastor salary for the whole year. (**See Note 1**)

We have no employees earning over £60,000 per year and have 3 part time employees each earning under £10,000 per year.

Transactions with related parties.

The church has no such transactions.

This year the church has remunerated an independent examiner to the amount of £200.

The church has not made any ex-gratia payments.

11.2 Average Head count in the year

Apart from the full-time pastor and full-time trainee pastor (see details above), the church has employed the following on a part time basis in the past year.

-
- Church administrator
- Church Worker
- Church cleaner (only January-March)

The church worker is enrolled in the NEST pension scheme but the church administrator and cleaner are not. Otherwise, no additional benefits were provided other than the benefits to the pastor outlined above. The church has therefore employed two full time employee and three others on a part time basis.

The treasurer's position is on an unpaid voluntary basis.

12.1 Defined contribution pension scheme

The pastor is enrolled in a Royal London Pension Scheme paid for by the church at a rate of £213/Month (£2556/year). The pastor, the trainee pastor and the church worker are enrolled in the NEST pension scheme (currently 5% of salary + 3% from church). Total cost of pension schemes last year was £7,467.

17.1 Investments

The church has no investments other than the savings accounts already mentioned.

19.1 Analysis of debtors

At 31st Dec 2020 the following payments were due to the church:-

The gift Aid claim for Q4 of 2020 of £8,658, of which £3,345 will go to the Building Fund and £5,308 to the General Fund, has been claimed and has been received in January 2021.

Cash In Bank and In Hand

The books were closed on 31st Dec 2020.

Closing balances were:-

Santander Reserve Account (Building Fund)	£138,733
CAF (Shawbrook) Bank 60 day Notice Account (Building Fund)	£758,847
Total in Building Fund	£897,580
Santander Current Account (General Fund)	£38,881

There was no cash held in hand at the close of the financial year.

27.4 Designated Funds

The Building fund is designated towards the cost of building a new church. This new church will be used for worship and also to serve the community of Leftwich. At 31st Dec 2020 this stood at £897,580. Currently planning permission has been approved for a new building on our current site and the estimated cost will be £1,300,000 to £1,400,000.

28.1 Trustee remuneration and benefits

Trustees received no benefits apart from the necessary expenses incurred in carrying out their role. The pastor has received a salary and monthly expenses as outlined in 11.1 above. The other 3 trustees claim for purchases made on behalf of the church or for attendance at training courses. This total came to £943 he past year.

Appendices notes on Financial Statement

Expenses		This Year	Last Year
Note 1	Church Administration		
	Salaries	£58,635.93	£45,655.59
	Tax & National Insurance	£13,788.07	£8,960.82
	Staff Pension Schemes	£7,320.64	£5,690.85
	Staff Expenses	£1,374.19	£828.86
	Office Expenses	£2,326.76	£1,473.11
	Compliance	£185.80	£250.00
	Total	£83,631.39	£62,859.23
Note 2	Church Establishment		
	Insurance	£879.55	£1,202.53
	Council Tax	£3,250.34	£2,040.93
	Electricity & Gas	£1,136.32	£4,504.40
	Water	£420.91	£376.24
	Church Maintenance	£1,032.34	£6,984.46
	Kitchen Expenses	£25.53	£629.13
	Catering Expenses	£298.83	£1,315.13
	Cleaning	£130.00	£675.00
	Ground Maintenance	£0.00	£0.00
	Subscriptions & Legal Fees	£2,442.08	£2,320.63
	Telephone & Internet	£438.96	
	Lach Dennis Expenses	£1,353.02	
	Total	£11,407.88	£20,048.45
Note 3	Teaching & Outreach		
	Visiting Speakers	£476.50	£1,317.50
	Church Annual Weekend	£0.00	£540.73
	Education & Books	£137.40	£1,096.79
	Teaching & Outreach	£37.55	£411.15
	Senior Moments	£0.00	£251.26
	Training	£943.44	£1,434.86
	Gifts & Donations	£1,169.03	£316.13
	Total	£2,763.92	£5,368.42
Note 4	Mission		
	Slavic Gospel Association	£1,427.00	£1,432
	Jonathan Gilmore	£1,427.00	£1,432
	SIM for David Mackie	£1,427.00	£1,546
	Mission support for Beck	£12,374.96	£10,385
	Operation Mobilisation	£50.00	
	UFM	£50.00	
	Bangor University CU	£50.00	
	Royal Holloway Student's CU	£50.00	
	Other missions		£2,181.14
	Total	£16,885.96	£16,976.14

Note 5	New Building Expenses	
	From Building Fund	£32,272.96
	From General Fund	£28,200.00
		£60,472.96
	Total Expenditure	£175,162.11

Note 6 Expenditure this year is up by over £37,000 but that is due mainly to the £28,200 transferred to the Building Fund. Staff costs (See Note 1 above) are also up due to the addition of a fully time Trainees Pastor salary for the full year.

Note 7 The following are estimates of the church fixed assets. The total has been greatly reduced since last year as the church has been emptied any many items either sold or disposed of. Valuable items have been put into temporary storage for use in the new church building

Church Equipment Estimates

New tables and chairs	£10,000	
Lectern	£180	
Kitchen Equipment	£520	
Administrator's laptop	£300	
Music/Instruments	£1,000	Mainly cost of replacing Clavanova
		Inc TV screens and streaming
Audio & PA Equipment	£3,000	equipment
Total	£15,000	

Total Assets

Unrestricted funds (General Fund)	£38,881	
Restricted Funds (Building Fund	£897,580	
Land value, church and manse	£200,000	Approx
Equipment Assets	£15,000	Approx
Outstanding Gift Aid Claim	£8,658	

Independent Examiner's Report.

Independent Examiner's Report to the Trustees of the Emmanuel Church Leftwich.

report on the accounts of the charity for the year ended 31st. December 2020, which are set out on pages 8 to 16.

Respective responsibilities of the 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(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to :

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commissioner under section 145 (5) (b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report.

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

Independent examiner's statement.

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

1. which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 130 of the 2011 Act; and to prepared accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Alan A. Clements

Date 12th. February 2021.

Fellow of the Association of Charity Independent Examiners.

Rev'd. A. A. Clements MA, ACIB, FCIE.
15 Carleton Road,
Great Knowley,
Chorley PR6 8TQ