

WALL HEATH EVANGELICAL FREE CHURCH
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

WALL HEATH EVANGELICAL FREE CHURCH
(A company limited by guarantee)

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WALL HEATH EVANGELICAL FREE CHURCH
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	A Allman M Yates J F Day K D Cram M J N Tromans M J Orton M B D Jones P J Cram S P Evans M J L Tromans J R M Pullen C E Taylor (resigned 14 July 2021)
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Company registered number	10288333
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Charity registered number	1170571
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Registered office	81 Enville Road Wall Heath Kingswinford West Midlands DY6 0JX
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WALL HEATH EVANGELICAL FREE CHURCH
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the financial statements of the Company for the 1 January 2021 to 31 December 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

As set out in the Church's Constitution and Basis of Faith, the Church activities consist of far more than Sunday services. A constantly developing programme of ministries and activities is designed to cater for young and old, male and female and for those experienced and inexperienced in the Christian faith.

A mission statement for the church exists as follows:

We are here to glorify God:

- by bringing people to Jesus and into the loving family of the church
- by applying God's word to our lives and becoming more like Jesus
- by developing our gifts and using them with enthusiasm in His service, locally and worldwide
- by worshipping in unity and finding our satisfaction in Him

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

The Charity Commission in its "Charities and Public Benefit" Guidance states that there are two key principles to be met in order to show that an organisation's aims are for the public benefit: firstly, there must be an identifiable benefit and secondly, that benefit must be to the public or a section of the public. The Trustees are satisfied that the aims and objectives of the charity, and the activities reported on below to achieve those aims, meet these principles.

The public benefit that the Church provides is a programme of activities and ministries for people in the Christian faith.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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

Objectives and activities (continued)

b. Activities undertaken to achieve objectives

The main activities in relation to these objects include:

- Activities for all including
 - Sunday services of worship
 - Mid-week House Groups and prayer meeting
 - Church "holidays" (weekends away)
- Activities for the young including
 - Connect (for children in school years 7-11)
 - United (for children in school years 3-6)
 - Shooting Stars (For children in school years reception, 1-2)
 - Livewires - Sunday School (age 7-11)
 - Sparklers / Crèche (for pre-school and primary school children)
 - Holiday Bible Club (for primary school children)
 - Bright Sparks Parents and Toddlers groups (for pre-school children)
 - Sunday Night After Church (SNAC)
 - No Strings Attached – Puppet team
- Activities for midweek fellowship
 - Wednesday fellowship meeting
 - Refresh Café
 - Craft & Sew on
- Activities for men including
 - Men's events, days out and meals
 - Young men's Bible study and fellowship group
- Activities for women including
 - Ladies' nights
 - Craft events
- Activities for families
 - Care for the Family accredited courses
- Activities for newcomers including
 - Alpha course.

These activities are not restricted to church members but open to everyone in the community. All activities are free of charge, except where there is a significant financial outlay such as weekends away.

The Church is a community of people desiring to serve and worship God. Without the significant time and energy provided by a large number of volunteers as part of their desire to serve God, the Church could not continue to function.

The Pastor is a paid employee of the Church and shares responsibility for the leadership, spiritual oversight and well-being of the congregation jointly with the Elders.

There is also a part time paid administrator and 2 part time paid cleaners.

All other members of the Church fulfil their roles on an entirely voluntary and unpaid basis and such contribution is greatly appreciated.

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

Objectives and activities (continued)

In addition to activities described above, the Church has an interest in Christian missionary work both at home and abroad and supports a number of missionaries both financially and in prayer and practical undertakings. The amount of the financial contribution to such missionaries is agreed between the Elders and missionary committee.

Similarly, the Church will make donations to individuals and to organisations that are in financial need. Again, the amount of this contribution is agreed.

Achievements and performance

a. Review of activities

Church

Socially distanced morning worship services held fortnightly in a local Primary school from April 2021. This changed to weekly from September. These services were livestreamed and then uploaded to the church website. A classroom was also used for the children's work.

A carol service and Christmas Day Service were held in the new church building in December.

Mission Support

Krasif Aid – supporting the vulnerable through Sliven Baptist Church, Bulgaria.
Wycliffe Bible Translators – support of Bible translators in Indonesia.
Dignity Freedom Network– supporting 3 Dalit children in their education and upbringing.
Brierley Hill Project – support for Jen Hartnell located in Pensnett.
Birmingham City Mission – John Platt
Slavic Gospel Association - Vadim Musurivski in Moldova
European Christian Mission – Phillipe & Joanne Mayhew in France
Gus Eyre – Prison Ministry in Lancashire.
Sharon Tromans - British Youth for Christ
Amen Ministries – Shoeboxes to Roma Gypsy communities in Romania.
Fellowship of Independent Evangelical Churches (FIEC)
Kolkata City Mission – India
Operation Mobilisation Support for Gareth and Malou Bolton
Tear Fund
The Leprosy Mission
Africa Rural Trainers (ART)
Open Doors

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

Achievements and performance (continued)

Church Fabric

Mayway Construction Ltd were appointed to carry out the work which commenced in October 2020 to demolish the existing building and start work on the new build. The project has continued into 2021 and despite the challenges of Covid19, lockdowns and lack of materials delayed deliveries and labour issues, the building reached almost completion by December 2021. There is still a list of snagging items to reconcile, but these have not prevented us from re opening the building.

Work has also continued towards the fundraising aspect of the project. Futurekraft (our fundraising team) have helped us to secure several large grants to help towards the cost of the rebuild. In April 2021 we received a grant of £35,582.00 towards our kitchen and servery area from Enovert Community Trust. This was completed and submitted in house by one of the trustees. We were supported by Dudley CVS, our local council funding team.

All the following activities have been sporadic in nature because of the Covid-19 pandemic. We have managed to have online weekly services, zoom house group and prayer meetings.

Some of our children's/youth work has been transferred to social media with weekly videos and craft packs being delivered when appropriate.

The schools' team has also produced video assemblies for the schools to use.

Place of Worship

Sunday services were held fortnightly at 10.30am from April 2021 in the local primary school. and recorded for our website. Our online services have had significantly higher viewing figures. In September this was increased to weekly, and we began to livestream the services.

We held 2 gathered services in our new premises, the first one being our Carol service. This was followed by a Christmas morning service, again in the new building.

House groups (usually held in people's homes) were for most of the year on Zoom and towards the end of the year at the new church building. This was basis a month and offered encouragement, support, prayer, Bible study and friendship.

Prayer times are held at various times during each month. The fourth Wednesday for a joint prayer meeting and the first Sunday of every month. This has continued via Zoom.

Pastoral care is offered and given to everyone within the church and to those within the community who need our help. This has increased greatly during the pandemic.

Youth Work

United - A Friday night meeting for primary school children in years 3 - 6 with games, singing, craft activities etc.

Connect on Friday nights – for children in school years 7-11. On average 4-10 young people come each week to enjoy a time of fun, games, art, craft and Christian teaching. The pandemic and the church rebuild have affected our ability to run these 2 groups. They will both restart in March 2022

SALT - a short time for young people to meet in people's homes on a Sunday afternoon around 5 people once a month. Discussions, bible study and prayer times and food and drink. Again, this meeting has transferred to Zoom but in person meetings have begun to take place.

Creative

No Strings Attached puppet team – Performances on Sundays, in school assemblies and at the carol service. A

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

Achievements and performance (continued)

performance took place in the new church building on Christmas Day.

Community

Shooting Stars – A Thursday afternoon meeting for primary school children and their parents in reception, years 1 & 2, with games, singing, craft activities etc.

Bright Sparks Toddlers - This is an opportunity for parents and carers to come and share fellowship together with their young children.

Shooting Stars and Bright Sparks have continued throughout the year on social media, with packs being given out and delivered to help families through the restrictions of the pandemic. Both will restart in person gatherings in 2022.

Livewires / Sparklers /Crèche - Around 15 children are taught simple Bible stories during the Sunday morning church services. This restarted in September 2021, when we were able to hire a classroom in the school premises we were using.

Wednesday Fellowship - A daytime fellowship meeting weekly, which largely attracts older folk but is open to all. This will be relaunched in 2022.

Craft & Sew on – A bi-weekly fellowship meeting based around craft and anything creative. This will restart in 2022.

Café Refresh - A bi-weekly café providing beautiful cakes and tea/coffee for all the community. This will reopen in 2022.

Schools team – Take assemblies on a regular basis at 5 primary schools and occasionally are involved in lessons. We support the GSUS Live trailer at secondary schools when it is in the area. We have managed to visit a couple of schools as well as providing pre-recorded videos. Our schools team supported the GSUS live trailer during April and May.

Gables Residential home – Socially distanced indoor carol service
New Bradley Hall Residential home - Socially distanced outdoor carol service.

Our church website has seen an increased usage during the pandemic for notices, Sunday services, both pre-recorded and live streamed, daily children's activities, building updates, photographs and bible motivations. Some of these have ceased as restrictions have been lifted.

Financial review

a. Going concern

The Trustees have a reasonable expectations that the charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees have reviewed future cashflows for income and expenditure including payment of the bank loan for the next 12 months. They continue to believe that the going concern basis of accounting is appropriate in preparing the financial statements.

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

b. Reserves policy

The Trustees are aware of the Charity Reserves: building resilience (CC19) Charity Commission Guidance and are considering developing a reserves policy.

It should be noted that a large portion of the current reserves accumulated during 2021 are set aside specifically to fund the rebuild.

This is considered by the Treasurer to be an acceptable financial position

The charity currently has total funds of £1,055,582 (2020: £664,898) of which £1,055,029 (2020: £619,561) is unrestricted. Within the unrestricted funds is nil (2020: £193,500) of designated funds for the Existing Church Fund and the Church Rebuild Project. The free reserves which amounts to the unrestricted funds less fixed assets is equal to (£494,512) (2020: £138,984). Please note that there are creditors greater than one year of £503,725 and if the creditors greater than one year are removed from free reserves then the free reserves are £7,213 (2020: £138,984)

Restricted funds are £553 (2020: £45,337).

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

c. Principal funding

The principal source of funds is mainly through voluntary donations of the Church's members and adherents. While this is set out in the Bible as both a responsibility and a privilege for Christian people, individuals are not placed under any additional obligation either to give a certain amount or indeed to give at all and newcomers and visitors to Sunday morning services (a collection box is provided at the rear of the church) are regularly encouraged not to feel under any obligation to give.

As with the voluntary help for the activities of the Church, without the voluntary giving of the congregation, the Church could not continue to function, and the Elders and trustees are grateful to God for His provision

Additional funds for the rebuild were obtained through the list of trust and grant providers below.

Andrew Anderson Trust	£5,000
Norwood and Newton	£30,000
Grimmitt Trust	£3,000
Joseph Rank	£30,000
Keltrucks	£250
Congregational & General	£15,000
Bernard Sunley	£20,000
All Churches Trust	£19,000
Eric Vincent	£500
Blakemore foundation	£100
Geoff Hill Charitable Trust	£500
WE Dunn	£2,000
Rowlands Trust	£10,000
Hobson Charity	£6,000
Enovert (Specifically for the kitchen & servery)	£35,852
Edward Cadbury	£5,000
Laing family Trust	£10,000

A mortgage was obtained through Charity Bank £355,000

The church also received several loans from members
to cover the cost of the building work, totalling £170,000

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

Structure, governance and management

a. Constitution

Wall Heath Evangelical Free Church is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 20/07/16.

The company is constituted under a Memorandum of Association dated 20/07/16 and is a registered charity number 1170571.

The principal object of the company is to glorify God:

- by bringing people to Jesus and into the loving family of the church
- by applying God's word to our lives and becoming more like Jesus
- by developing our gifts and using them with enthusiasm in His service, locally and worldwide
- by worshipping in unity and finding our satisfaction in him

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

c. Organisational structure and decision-making policies

While the Trustees have ultimate accountability for the maintenance of the Church building at Enville Road, daily responsibility for its maintenance is delegated to the Elders and Deacons of the Church. The Church itself (i.e. the congregational body and its affairs) is governed by a Constitution and a Basis of Faith and served by Elders and Deacons who are accountable to the Church membership and to God for fulfillment of their responsibilities.

The Trustees are aware of the Charity Governance Code for smaller charities and are reviewing the code and considering its application to the Church

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

Plans for future periods

Since the restrictions on community gatherings due to the Covid 19 pandemic began in March 2020, the Trustees have managed the church activities where possible through online services and Zoom meetings, with the occasional meeting in hire premises when national regulations permitted.

Whilst this has had some bearing on the overall financial performance of the charity during 2020, the Trustees are able to confirm that overall income levels from donations and offerings remained consistent throughout 2020 with reported overall income levels down by only 0.17%. In some aspect of the general running costs these were reduced through none use of the public building.

Notwithstanding, the situation the charity faced with the Covid 19 pandemic, the Trustees took the decision to go ahead with a complete rebuild of the existing site to create a community hub in the heart of Wall Heath, which would, when complete, provide opportunities for increased services to meet the needs of the community. The work began in September 2020 and is expected to be completed in the Autumn of 2021.

Considering ahead, and providing that the country continues to progress out of lockdown, we expect venue hire to be a sustainable income stream. The new facilities will be the largest space available to hire in Wall Heath, and can be used for weddings, conferences, and large community events. Through hiring out our auditorium, café area and four seminar/guest rooms on a weekly basis, nearly 20% of our annual expenditure in year 1 will be covered through rental income. This will increase to over 30% by year 7. (subject to Covid 19 regulations).

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

Plans for future periods (continued)

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company 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:

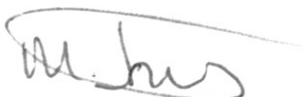
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company 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

and signed on their behalf by:

M B D Jones
Trustee



M J Orton
Trustee



WALL HEATH EVANGELICAL FREE CHURCH
(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Independent Examiner's Report to the Trustees of Wall Heath Evangelical Free Church ('the Company')

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

Responsibilities and Basis of Report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the Company'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 ACMA, which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [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 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.

Signed:



Andrew David Waterhouse

Dated:

22/9/2022

ACMA, GCMA

The Granary, Folley Road,
Ackleton,
WV6 7JL

WALL HEATH EVANGELICAL FREE CHURCH
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	110,329	374,582	484,911	300,011
Investments	4	4	-	4	254
Other income	5	80	-	80	1,819
Total income		110,413	374,582	484,995	302,084
Expenditure on:					
Charitable activities	6	93,556	755	94,311	76,607
Total expenditure		93,556	755	94,311	76,607
Net income		16,857	373,827	390,684	225,477
Transfers between funds	15	418,611	(418,611)	-	-
Net movement in funds		435,468	(44,784)	390,684	225,477
Reconciliation of funds:					
Total funds brought forward		619,561	45,337	664,898	439,421
Net movement in funds		435,468	(44,784)	390,684	225,477
Total funds carried forward		1,055,029	553	1,055,582	664,898

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

The notes on pages 16 to 30 form part of these financial statements.

WALL HEATH EVANGELICAL FREE CHURCH
(A company limited by guarantee)
REGISTERED NUMBER: 10288333

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	1,551,541	480,577
		<u>1,551,541</u>	<u>480,577</u>
Current assets			
Debtors	11	43,896	25,704
Cash at bank and in hand		8,845	159,397
		<u>52,741</u>	<u>185,101</u>
Creditors: amounts falling due within one year	12	(44,975)	(780)
Net current assets		7,766	184,321
Creditors: amounts falling due after more than one year	13	(503,725)	-
Net assets		<u>1,055,582</u>	<u>664,898</u>
Total net assets		<u><u>1,055,582</u></u>	<u><u>664,898</u></u>
Charity funds			
Restricted funds	15	553	45,337
Unrestricted funds	15	1,055,029	619,561
Total funds		<u><u>1,055,582</u></u>	<u><u>664,898</u></u>

WALL HEATH EVANGELICAL FREE CHURCH

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REGISTERED NUMBER: 10288333

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



M B D Jones
(Trustee)



M J Orton
(Trustee)

The notes on pages 16 to 30 form part of these financial statements.

WALL HEATH EVANGELICAL FREE CHURCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

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 Companies Act 2006.

Wall Heath Evangelical Free Church 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 Going concern

The Trustees have a reasonable expectations that the charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees have reviewed future cashflows for income and expenditure including payment of the bank loan for the next 12 months. They continue to believe that the going concern basis of accounting is appropriate in preparing the financial statements.

WALL HEATH EVANGELICAL FREE CHURCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company 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 company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company 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.

2.4 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

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

2. Accounting policies (continued)

2.4 Expenditure (continued)

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

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at valuation, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the valuation of fixed assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
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2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

2.7 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.

2.8 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.

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2. Accounting policies (continued)

2.9 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 Company 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.

2.10 Financial instruments

The Company 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.

2.11 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 Company 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 Company 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.

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3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	110,329	252,750	363,079	233,561
Grants	-	121,832	121,832	66,450
	<u>110,329</u>	<u>374,582</u>	<u>484,911</u>	<u>300,011</u>
<i>Total 2020</i>	<u>95,041</u>	<u>204,970</u>	<u>300,011</u>	

4. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Interest received	4	4	254
	<u>4</u>	<u>4</u>	<u>254</u>
<i>Total 2020</i>	<u>254</u>	<u>254</u>	

5. Other incoming resources

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of building	-	-	-	1,570
Quinta deposits	80	-	80	249
	<u>80</u>	<u>-</u>	<u>80</u>	<u>1,819</u>
<i>Total 2020</i>	<u>1,570</u>	<u>249</u>	<u>1,819</u>	

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6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Charitable activities	93,556	755	94,311	76,607
<i>Total 2020</i>	75,335	1,272	76,607	

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Charitable activities	79,021	15,290	94,311	76,607
<i>Total 2020</i>	64,291	12,316	76,607	

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Evangelism	105	105	837
Missionary work	12,020	12,020	13,500
Children's work	857	857	1,611
Staff costs	44,178	44,178	46,044
Building repairs	21,861	21,861	2,299
Total 2021	<u>79,021</u>	<u>79,021</u>	<u>64,291</u>
<i>Total 2020</i>	<u>64,291</u>	<u>64,291</u>	

Analysis of support costs

	Activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Subscriptions	3,213	3,213	2,249
Communications	630	630	1,150
Computer costs	1,550	1,550	1,131
Insurance	414	414	897
Rates and electricity	4,131	4,131	3,285
Equipment	-	-	78
Maintenance	-	-	660
Sundry expenses	3,485	3,485	2,086
Mortgage interest	1,447	1,447	-
Accountancy	420	420	780
Total 2021	<u>15,290</u>	<u>15,290</u>	<u>12,316</u>
<i>Total 2020</i>	<u>12,316</u>	<u>12,316</u>	

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8. Staff costs

	2021 £	2020 £
Wages and salaries	36,316	37,907
Social security costs	7,862	8,137
	<u>44,178</u>	<u>46,044</u>

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

	2021 No.	2020 No.
Average number of employees	<u>3</u>	<u>3</u>

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

The key management personnel of the charity are the Trustees. The total remuneration paid to the key management personnel was £43,522 (2020: £42,614)

9. Trustees' remuneration and expenses

		2021 £	2020 £
M B D Jones	Remuneration	36,720	36,000
K D Cram	Remuneration	6,802	6,614

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

10. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 January 2021	480,577
Additions	1,070,964
	<u>1,551,541</u>
At 31 December 2021	<u>1,551,541</u>

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10. Tangible fixed assets (continued)

	Freehold property £
Net book value	
At 31 December 2021	1,551,541
<i>At 31 December 2020</i>	<i>480,577</i>

On 21 February 2019 the land was given a market valuation of £150,000 by A. K. Knight FRICS of Walton & Hipkiss. The land is not depreciated.

11. Debtors

	2021 £	2020 £
Due within one year		
Gift aid receivable	43,896	25,704
	43,896	25,704

12. Creditors: Amounts falling due within one year

	2021 £	2020 £
Mortgage (secured)	1,275	-
Other creditors	42,500	-
Accruals and deferred income	1,200	780
	44,975	780

Other creditors falling due within one year includes £10,000 (2020: £0) of a £20,000 interest free loan from a member.

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13. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Mortgage (secured)	343,725	-
Other creditors	160,000	-
	<u>503,725</u>	<u>-</u>

Other creditors falling due after more than one year includes £160,000 (2020: £0) of interest free loans from members.

£10,000 repayable by 31 October 2023.

£10,000 repayable by 31 October 2024.

£20,000 repayable by 31 October 2025.

£20,000 repayable by 31 October 2026.

£20,000 repayable by 31 October 2027.

£20,000 repayable by 31 October 2028.

£20,000 repayable by 31 October 2029.

£20,000 repayable by 31 October 2030.

£15,000 repayable by 31 October 2031.

£5,000 repayable by 31 October 2032.

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	2020 £
Mortgage (secured) payable by instalments	309,736	-
Members Loans	90,000	-
	<u>399,736</u>	<u>-</u>

Mortgage of £345,000 (2020: £0) was secured on the building and land of the charity. The interest is base rate plus 4.75% initially and base rate plus 3.75% on final stage payment drawdown. The mortgage term is 25 years.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Financial instruments

	2021	2020
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	8,845	159,397

Financial assets measured at fair value through income and expenditure comprise cash at bank.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Unrestricted funds					
Designated funds					
Designated Funds - Existing ChurchFund	150,000	-	-	(150,000)	-
Designated Fund - Church RebuildProject	43,500	-	-	(43,500)	-
	<u>193,500</u>	<u>-</u>	<u>-</u>	<u>(193,500)</u>	<u>-</u>
General funds					
General Funds - all funds	426,061	110,413	(93,556)	612,111	1,055,029
Total Unrestricted funds	<u>619,561</u>	<u>110,413</u>	<u>(93,556)</u>	<u>418,611</u>	<u>1,055,029</u>
Restricted funds					
Building fund	43,581	374,330	-	(417,911)	-
United fund	200	252	(252)	-	200
Bright Sparks fund	797	-	-	(700)	97
Wednesday Fellowship fund	41	-	(31)	-	10
Cafe Refresh fund	142	-	-	-	142
Shooting Stars fund	576	-	(472)	-	104
	<u>45,337</u>	<u>374,582</u>	<u>(755)</u>	<u>(418,611)</u>	<u>553</u>
Total of funds	<u><u>664,898</u></u>	<u><u>484,995</u></u>	<u><u>(94,311)</u></u>	<u><u>-</u></u>	<u><u>1,055,582</u></u>

Transfers

Transfer between restricted and unrestricted funds consists of fixed asset additions of £418,611.

Transfers between designated funds to unrestricted funds is the finalisation of the building in December 2021 of £193,500

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Impairment £</i>	<i>Balance at 31 December 2020 £</i>
Unrestricted funds					
Designated funds					
Designated Funds - Existing ChurchFund	150,000	-	-	-	150,000
Designated Fund - Church RebuildProject	43,500	-	-	-	43,500
	<u>193,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>193,500</u>
General funds					
General Funds - all funds	73,954	96,865	(75,335)	330,577	426,061
Total Unrestricted funds	<u>267,454</u>	<u>96,865</u>	<u>(75,335)</u>	<u>330,577</u>	<u>619,561</u>
Restricted funds					
Building fund	169,809	204,349	-	(330,577)	43,581
United fund	200	249	(249)	-	200
Bright Sparks fund	945	331	(479)	-	797
Wednesday Fellowship fund	101	143	(203)	-	41
Cafe Refresh fund	57	119	(34)	-	142
Shooting Stars fund	855	28	(307)	-	576
	<u>171,967</u>	<u>205,219</u>	<u>(1,272)</u>	<u>(330,577)</u>	<u>45,337</u>
Total of funds	<u><u>439,421</u></u>	<u><u>302,084</u></u>	<u><u>(76,607)</u></u>	<u><u>-</u></u>	<u><u>664,898</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Summary of funds

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Designated funds	193,500	-	-	(193,500)	-
General funds	426,061	110,413	(93,556)	612,111	1,055,029
Restricted funds	45,337	374,582	(755)	(418,611)	553
	<u>664,898</u>	<u>484,995</u>	<u>(94,311)</u>	<u>-</u>	<u>1,055,582</u>

Summary of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Impairment £	Balance at 31 December 2020 £
Designated funds	193,500	-	-	-	193,500
General funds	73,954	96,865	(75,335)	330,577	426,061
Restricted funds	171,967	205,219	(1,272)	(330,577)	45,337
	<u>439,421</u>	<u>302,084</u>	<u>(76,607)</u>	<u>-</u>	<u>664,898</u>

Designated Funds

Existing Church Fund - Fixed asset fund for Church Building.

Church Rebuild Project - Fund for Church Rebuild Project.

Restricted Funds

Building Fund - Fund for rebuild of Church.

United Fund - Fund for church group (ages 7-11).

Bright Sparks Fund - Fund for Mums and Toddlers group.

Wednesday Fellowship Fund - Fund for mid week group.

Cafe Refresh Fund - Fund for fortnightly church cafe.

Shooting Stars Fund - Funds for church after school club (ages 5-6).

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**NOTES TO THE FINANCIAL STATEMENTS
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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	1,551,541	-	1,551,541
Current assets	52,188	553	52,741
Creditors due within one year	(45,021)	-	(45,021)
Creditors due in more than one year	(503,679)	-	(503,679)
Total	<u>1,055,029</u>	<u>553</u>	<u>1,055,582</u>

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	480,577	-	480,577
Current assets	139,764	45,337	185,101
Creditors due within one year	(780)	-	(780)
Total	<u>619,561</u>	<u>45,337</u>	<u>664,898</u>

18. Related party transactions

During the year, M B D Jones, a trustee of the Charity received remuneration of £36,720 (2020: £36,000).

K D Cram received remuneration of £6,802 (2020: £6,614)

Other than those already disclosed above there were no related party transactions or expenses incurred by Trustees in either year.

