



Hillside **Methodist** Church

Trustees Annual Report & Accounts 2019-20



Registered Charity No. 1175950



Hillside **Methodist** Church

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Hillside Methodist Church

Introduction

Hillside is a Church at the Heart of Community, both geographically, socially and spiritually. We have been based for over 100 years in the village of Brinscall, near Chorley.

In normal time, worship on a Sunday is enjoyed by a vibrant congregation, with a variety of music and worship styles and the warmest of welcomes. A contemporary people in a traditional setting with the mission "To Know Christ and Make Him Known".

During the week there are a variety of groups and regularly held events for all ages, offering a variety of different opportunities for faith development, outreach and fellowship.

The year ended 2019-20 has for everyone, been a challenging year and Hillside has risen to that challenge to provide new ways to worship and "be Church" within the Community.

Basis of Preparation and Legal Framework

The Charity's annual report and accounts for the year ended 31 August 2020 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard(FRS) 102

Charity Name: Hillside Methodist Church.

Charity Registration: 1175950

Principle Address: Parke Road, Brinscall, Chorley, Lancs. PR6 8PU.

Structure: Hillside is a member of the Chorley & Leyland Methodist Circuit, which is a member of the Lancashire Methodist District.

Bankers: Central Finance Board of the Methodist Church, Royal Bank of Scotland, Santander, Chapel Aid

Independent Examiner: Mr D Hollinghurst. FCMA

Trustees: The following members of the Church Council served as Trustees during the period of this report:

Name	Office/Elected By	Name	Office/Elected By
Rev Graham Cutler (to 31 Aug 20)	Chair	Dave Wallis	Annual Church Meeting
Rev Karen Hilsden (from 1 Sept 2020)	Chair	Geoff Horton	
Jacquie Hartley	Church Council Secretary	Linda Yates	
Angela Melling	Church Treasurer	Steven Amos	
Anne Waring	Pastoral Committee Secretary	Ken Guy	
Annette Cupit	Circuit Steward		Church Council
Tim Melling	Head Steward	Duncan Frost	
Michael Brennan (to Nov 19)	Steward	Janet Horton	
Beryl Frankish	Steward	Chris Howard	
Joyce Nicolson	Steward	Mark Mackley	
Katharine Klunder (from Oct 19)	Steward	Norma Klunder	
		Maureen Amos	
		Vicki Gow	
		Paul Barron (from Oct 20)	



Hillside Methodist Church

Structure, Governance and Management

Governing Documents: Our governing documents are the Deed of Union 1932 and the Methodist Church Act 1976

Recruitment and Appointment of Trustees: The Charity Trustees are the members of the Church Council, appointed in line with Section 61 of The Constitutional Practice and Discipline of the Methodist Church ("CPD").

Church Council: Section 60 of CPD outlines the role of the Church Council as follows. "The Church Council has authority and oversight over the whole area of the ministry of the church, including the management of its property. Aims and methods, the determination and pursuit of policy and the deployment of available resources are its proper responsibility."

Church Stewards: Section 63 of CPD outlines the role of the church stewards as follows. "The church stewards are corporately responsible with the presbyter for exercising pastoral responsibility in relation to the Local Church for giving leadership and help over the whole range of the church's life and activity. They are particularly charged to hold together in unity the variety of concerns that are contained within the one ministry of the Church. To this end it is their responsibility to uphold and act upon the decisions and policies of the Church Council." In 2018-19 the Church Council approved the creation of a Leadership Team to work with and support the Stewards in carrying out these responsibilities. This team meets on a regular basis and reports to Church Council.

Safeguarding: Hillside Methodist Church commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches. In addition, it commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children, young people and adults who may be vulnerable.

Purpose

Section 4 of the Methodist Church Act 1976 defines the purpose as follows:

"The purposes of the Methodist Church are and shall be Purposes deemed to have been since the date of union the advancement of:

- (a) the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church;
- (b) any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church;
- (c) any charitable purpose for the time being of any society or institution being a society or institution subsidiary or ancillary to the Methodist Church;
- (d) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church."

The following are the main activities undertaken in relation to the Purposes outlined above:

- Organise and hold regular public acts of worship
- Provide teaching through sermons, courses and small groups
- Offer pastoral support to the sick and bereaved
- Pursue children's/youth education in the context of the Christian faith
- Engage with associated local Church Schools
- Raise awareness through the arranging/staging of local events
- Promote fellowship/friendship by facilitating shared-interest groups
- Provide facilities for local community use/activity



Hillside Methodist Church

Review of the Year

This year has been a most unusual year in the life of this church and many others due to the Covid 19 Pandemic. Although the church building has been closed for a large part of this church year the "Church" has remained well and truly active, finding ways to serve our local community as well as continuing to meet for worship and other church activities with meetings all on-line.

The year started in September as 'normal' with regular acts of worship on Sunday mornings and the occasional Café Church in the evenings. The facilities of the church were used on a weekly basis by groups from the church including GTFG, Creche, youth group, bible studies and prayer meetings, craft group, Network and Youth Club. Our Youth Group met monthly on Friday evenings for "fun, food and fellowship" exploring themes such as "what it is like being a young Christian at high School?" We held monthly coffee mornings and in September we were pleased to host one of the circuit wide 'Empowering All' events. There was also regular use by community groups including Brinscall Playgroup, Slimming World, Karate, Pilates and 3 Trees Craft group. These all contributed to the busy and active life of the church.

Late in 2018-19 Church Council approved the creation of a Leadership Team, bringing together representatives from all areas of church life, to better organise and monitor the ongoing work and life of the church, as well as providing support to our minister. In September, the members of the team went on an away day to Shekinah Christian Centre near Pendle, to discuss and plan how best this team could work together. This was very successful and has proven to be extremely helpful, providing the foundation for the work of the team in the following months. The team continues to meet on a regular basis, as well as informally, as and when required.

At the end of November, rather than organising our usual Christmas Market, we tried a new idea and ran a Christmas Coffee Morning which was an extended version of the normal monthly Coffee Morning. This was extremely successful, attended by members of the church and the local community and raised a significant amount for our building project fund.

As part of the Advent season Brinscall to Bethlehem took place involving pupils from St John Primary school in Brinscall with people from the church acting out the Christmas story in the grounds of the school and the church. This was followed by our usual Christingle, Christmas Eve Communion and Christmas Day services, ending the calendar year with God's blessing on the Church and local community.

In the New Year, rehearsals for the musical "Greater Than Gold" started in earnest with weekly practices, props being made, costumes organised, and publicity being prepared, there was a lot of excitement and anticipation ahead of the proposed opening in mid-March. Through the month of February and into early March, we started to hear of a new very virulent virus called Covid 19. By March 23rd, the country was in a total lockdown, and all services and activities at the church ceased.

Very quickly our circuit, Chorley & Leyland Methodists, organised on-line worship, with the support and help from two of the members at Hillside. These were, and continue to be, streamed through Facebook and YouTube as well as being copied to DVD for those who do not have the technology or equipment to go online.



Hillside Methodist Church

As the implications behind lockdown became apparent, it was realised by the Leadership Team that the ongoing work of the church needed to continue so it was agreed to invest in a licence for some software to be able to run online meetings. Subsequently all the regular meetings, Leadership Team, Property, Pastoral Visitors, Finance Group, Children's work, Church Council all moved to using Zoom technology to be able to continue to meet.

The weekly Monday Morning Prayer session was also moved online along with House group bible studies, Circuit bible studies and the Men's Group bible studies.

During lockdown pastoral support continued through doorstep visits and telephone calls, everyone adapting to the "new way" of providing support. Efforts were made to keep in contact with regular church attendees, who were not members and therefore did not have a named pastoral visitor, to ensure they were not forgotten.

The Ministry to the children and young people was challenged during lockdown and a small team of volunteers continued to keep regular contact with our families through socially distanced doorstep visits alongside the provision of resources, crafts and sweets.

In April, as a response to the lockdown and the impact that this was seen to be having on people in our community, the Hillside Helpline was set up. Approximately 2,500 postcards were delivered to local houses and a group of volunteers, all DBS checked, were recruited to help those who were isolating with shopping and other support as needed.

From the first day of the lockdown one light in church has remained on. *'The light shined in the darkness, and the darkness has not overcome it'*. Prayers were also placed on the railings at the front of church, many written by the children at St Johns school. In May, the 'UK Blessing' was prayed out over the local community whilst at the same time being streamed live on Facebook.

As the lockdown progressed in its various stages, it was recognised that it was going to impact on the Church finances quite severely. Therefore, the Finance Group have assisted the Treasurer to monitor the finances and have kept the members and congregation informed of this via video's, letters, financial updates and appeals. Due to the situation with Covid 19 all Church lettings were paused in March 2020, with Playgroup returning on shorter hours for four weeks in June and July.

Some of the community group lettings are no longer using the premises, such as Slimming World and Pilates all of which has affected our income. Please see the financial report for more details.

In July after 12 years' service at Hillside and within the Chorley & Leyland Circuit we said farewell to Rev'd Graham Cutler, Judith, Naomi and Nathanael as Graham moved on to his new post, in the now very infamous Barnard Castle. We were able to send them off with our thanks, love and prayers for their ministry at Hillside, but of course this had to be online.

The Circuit had just 4 days to prepare the Manse for its new minister. With the help of a team of volunteers from Hillside and the Circuit this was largely completed on time to enable Rev'd Karen Hilsden to move into the Manse in August. On the 30th of August Karen was received officially into the Circuit via an online service, and we are looking forward to a long and fruitful time with Karen over the coming years.



Hillside Methodist Church

Financial Review

General Fund (Unrestricted)

At the end of August 2020, the General Fund shows a deficit and net negative movement in funds for the year of £7,636 – there were no transfers between funds. Income in the year is £65,026 which is £2,893 (4.25%) below previous year. The closure of the Church and premises from March onwards due to COVID-19 had a significant impact on the finances of Hillside. However as a result of the generosity of many people and a last-minute plea, income, excluding lettings, is almost on a par with 2018-19. The lettings income is over £3,000 lower than last year due to lock down restrictions.

Income Stream	2019-20	2018-19	Variance
Offerings	45,649	46,570	(921)
Donations	2,371	445	1,926
Gift Aid	10,545	11,324	(779)
Interest	316	402	(86)
Other Income	251	167	84
Lettings	5,894	9,011	(3,117)
Total	65,026	67,919	(2,893)

Expenditure is £72,663 which is £1,290 (1.8%) above previous years as detailed below.

The grants figure is lower than last year as we did not make a donation to Connexional Funds.

Other expenditure includes a first aid course, defibrillator battery and Leadership team awayday.

Expenditure	2019-20	2018-19	Variance
Circuit Assessment	55,680	54,508	(1,172)
Grants & donations	4	2,260	2,256
Property			
Maintenance	4,259	3,936	(323)
Insurance & utilities	8,222	7,532	(690)
Depreciation	75	75	0
Office Expenses	521	444	(77)
Other Expenditure	3,901	2,618	(1,283)
Total	72,663	71,373	(1,290)

Designated Funds (Unrestricted)

These funds increased by £2,920, primarily as a result of a £3,000 legacy received, which has been in a designated fund to be used for mission and outreach.

Restricted and Endowment Funds

These funds increased by £10,212, this primarily related to the donations and associated gift aid made to the building fund during the year.

Reserves

The Reserves Policy for the Church is to hold a minimum sum equivalent to six months' average operating expenditure, in addition to specific amounts designated for major repairs. As at 31 August 2020 the General Fund after deducting the value of the Church Property stood at £48,240. The annual operating expense forecast (prepared based upon COVID and restrictions) for 2020-21 is £70,652, therefore we currently hold 8.2 months cover for these costs.

For full details of funds held and the movement of these in the year please see Note 8 in the Financial Statements section of this report.



Hillside Methodist Church

Plans for 2020/21

The Church year started during the Covid-19 pandemic, causing challenging economic circumstance which meant we started the year with a forecast deficit of £14,435. The finance group have met regularly to consider the financial position and the congregation are kept informed by regular finance updates. We have had several fundraising activities which will continue throughout the coming year to help to plug the gap.

We continue to ask the members and the congregation to prayerfully consider their giving and, wherever possible, to increase it or to make one off donations. We use the "Give a Little" platform for various appeals and fundraising and this also captures details for gift aid. We also use the "DONA" platform for general Church giving, encouraging people to "Give What you Can, When You Can", this also captures details for gift aid claims.

When we are allowed back into the Church building for worship, we will have contactless giving which we will encourage the congregation to use as an alternative to cash.

Throughout we pray for the future of Hillside and we praise God for all that we have and for our loyal and faithful Church family.

Public Benefit

We confirm the trustees have had regard to the Charity Commission's guidance on public benefit.

Trustee Training

A range of guidance produced by Methodist Connexion to support the effective running of the circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Church Council members as induction to their role as trustees.

Related Parties

The Church is part of the Chorley & Leyland Circuit, which is part of the Lancashire District, and is also accountable to the Methodist Conference.



Hillside Methodist Church

Risk Management

The major risks are identified and monitored by the Church Council via the relevant committee or responsible person within the church. Professional advice from either within the Connexion or if necessary from external advisors is taken as required. There is a regular review process undertaken.

The Trustees have identified the major risks to the Charity as being Safeguarding and Financial.

Two Safeguarding Officers ("SO") are in place (one for Children/Young People and one for Vulnerable Adults) who are responsible, along with the Trustees, for ensuring that the Methodist Church Safeguarding Policy is implemented. Regular reports and updates are provided to both Church Council and the Stewards.

Income and Expenditure is monitored monthly by the Treasurer and is compared with the approved annual budget to produce an annual forecast. This information is discussed by the Finance Team prior to a Finance Report being produced. The purpose is to detect trends as part of the risk management process to avoid unforeseen calls on reserves. Updates are provided to the Leadership Team at monthly meetings and to the Trustees at each Church Council meeting.

A formalised Risk Management Policy was adopted by the Trustees in February 2019

Safeguarding

Every person has a value and dignity which comes directly from the creation of humans in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- the safeguarding and protection of all children, young people and adults when they are vulnerable
- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust.
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.
- In all these principles we will follow legislation, guidance and recognised good practice

The Hillside Methodist Church Council commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches.

The Hillside Methodist Church Council commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children, young people and adults who may be vulnerable.

Approved by the Trustees on 17th February 2021 and signed on their behalf by:

Rev K Hilsden (Chair of Trustees)

Karen A. Hilsden

Financial Statements
For the Year Ending 31 August 2020



Hillside Methodist Church

Statement of Financial Activities (SOFA) for the year ended 31 August 2020 - £s

		Unrestricted				
	Note No.	General Fund	Designated Funds	Restricted & Endowment Funds	Total 2019-20	Total 2018-19
Income and Endowments						
Offerings		45,649	0	0	45,649	46,570
Donations		2,371	3,000	8,214	13,585	36,121
Gift Aid		10,545	0	2,830	13,376	13,285
Interest and investment income		316	0	237	553	554
Income from Investment Properties		0	0	0	0	0
Internal organisations		0	0	3,587	3,587	5,495
Other charitable income	6a	251	530	2,629	3,410	3,963
Total from Charitable Activities		59,133	3,530	17,497	80,160	105,988
Income from Lettings		5,894	0	0	5,894	9,011
Total Income and Endowments		65,027	3,530	17,497	86,054	114,999
Expenditure						
Circuit assessment or share		55,680	0	0	55,680	54,508
Grants and donations	6b	4	180	0	184	2,440
Property maintenance		4,259	0	213	4,473	109,910
Insurance, utilities etc		8,222	0	0	8,222	7,532
Provisions		0	0	0	0	0
Depreciation		75	0	0	75	75
Office expenses		521	0	0	521	444
Other expenditure	6d	3,901	430	776	5,107	6,949
Internal organisations		0	0	6,296	6,296	5,148
Total Charitable Expenditure		72,663	610	7,285	80,558	187,006
Gain/(loss) on monetary investments		0	0	0	0	0
Gain/(loss) on investment properties		0	0	0	0	0
Net Income/(Expenditure)		(7,636)	2,920	10,212	5,496	(72,007)
Transfers between funds		0	0	0	0	0
Other gains/(losses)		0	0	0	0	0
Net Movement in Funds		(7,636)	2,920	10,212	5,496	(72,007)
Total funds brought forward		1,819,819	43,075	59,067	1,921,961	1,993,968
Total Funds Carried Forward		1,812,183	45,995	69,279	1,927,457	1,921,961



Hillside Methodist Church

Balance Sheet as at 31 August 2020 - £s

	Note No.	Unrestricted		Restricted & Endowment Funds	Totals 2020	Totals 2019
		General Fund	Designated Funds			
Fixed Assets						
Church building & other property	7	1,763,943	0	0	1,763,943	1,764,018
Investments		0	0	4,006	4,006	3,983
Total Fixed Assets		1,763,943	0	4,006	1,767,949	1,768,001
Current Assets						
Debtors and prepayments	8	19,369	0	607	19,976	22,350
Loans by the Churches		0	0	0	0	0
Investments with TMCP		0	0	0	0	0
Central Finance Board Deposits	9	2,172	18,289	48,849	69,310	65,203
Cash at Bank and in hand	9	28,792	27,706	15,861	72,358	73,722
Total Current Assets		50,332	45,995	65,317	161,644	161,276
Current liabilities						
Creditors (due in under 1 year)	10	2,092	0	44	2,136	7,316
Grants Payable within 2019-20		0	0	0	0	0
Total Current Liabilities		2,092	0	44	2,136	7,316
Net Current Assets/Liabilities		48,240	45,995	65,273	159,508	153,960
Total Assets less Current Liabilities		1,812,183	45,995	69,279	1,927,457	1,921,961
Long term liabilities (> 1 year)						
Grants Payable after 2019-20		0	0	0	0	0
Loans to the Church		0	0	0	0	0
Net Assets		1,812,183	45,995	69,279	1,927,457	1,921,961
Funds of the Church						
General Fund (Unrestricted)		1,812,183			1,812,183	1,819,819
Designated Funds (Unrestricted)			45,995		45,995	43,075
Total Unrestricted Funds		1,812,183	45,995	0	1,858,178	1,862,894
Restricted & Endowment Funds				69,279	69,279	59,067
Total Funds	11	1,812,183	45,995	69,279	1,927,457	1,921,961

Signed

Church Treasurer



Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2020

1) Basis of Accounting and Accounting Policies

a) Accounting Framework

The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: 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 from 1 January 2015. (Charities SORP (FRS102)).

b) Public Benefit Entity

Hillside Methodist 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 note(s) below.

c) Basis

These accounts have been prepared on the basis of historical cost except that the investments are shown at their market value at the end of the year. The accruals basis has been used and the Trustees present accounts that show a true and fair view of the Church's financial position and activities.

d) Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £sterling, rounded to the nearest pound.

e) Going Concern

Based on the monetary assets and human resources available at 31 August 2020, the trustees believe that the Church is a going concern.

f) Consolidation

The income and expenditure relating to Hillside Youth Club, Hillside Fellowship, Hillside Craft Group and the Hillside Flower Fund are consolidated into these financial statements as these groups fall within the overall governance of the Trustees.

g) Income Recognition

Income is brought into account when there is entitlement, and the amount is reliably measurable once it is more likely than not that the economic benefit of the income will be forthcoming.

Individual amounts categorised as *Other Income* in the SOFA will be shown separately if they are considered material.

The Church acts as agent when collections/appeals are held for other charities. In all these matters the transactions are not reflected in the SOFA because they are not the income of the Church. Instead the transactions are disclosed in the Notes to the Accounts as required by SORP(FRS102), module 19.12.

In accordance with the Charities SORP (FRS 102) the time of volunteers is not recognised. Further information on this matter is provided in the Trustees Annual Report. If goods are donated, a value will be shown in the SOFA or Notes where the value is considered material.



Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2020 (cont.)

h) Expenditure

Expenditure is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit.

i) VAT

As the Church is not VAT registered, all input VAT is charged with the expenses to which it refers.

j) Tangible Fixed Assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000.

The Church land & buildings is shown in the accounts at deemed historical cost representing gross carrying value as at 1 September 2015, being the property's insurance reinstatement value at that time. No depreciation is provided because the Trustees consider the current residual value of the property in its present condition to be not less than its historical cost and, in the absence of any material impairment, any depreciation provision for the building component of the property would be immaterial.

k) Receivables and Payables; Bank and Cash (Basic Financial Instruments)

Debtors are stated at the amounts owed to the Church or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit fund balances are shown at their realisable values.

l) Funds

The trustees have adopted a policy for all unrestricted reserves which is to maintain a minimum of six months cover for Operating Expenses together with specific designated funds for Long Term Property Reserves. Further details can be found in Note 8.



Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2020 (cont.)

2) Glossary of Terms

CFB: Central Finance Board of the Methodist Church – manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain, and provides investment advice to those entities.

Church: a group of members from fewer than 10 to more than 300.

Circuit: a group of Methodist Churches near each other, typically between 10 and 30.

Church Council: The Trustees of the Church.

Connexion: The Methodist Church in Great Britain which includes the Head Office at Methodist Church House, all Methodist Districts, Circuits and Churches.

Connexional Funds: The Designated and/or Restricted Funds held and administered by the Connexion in furtherance of its charitable and mission objectives.

District: a group of contiguous circuits usually between 15 and 30.

FRS: Financial Reporting Standard.

Lay Employees: Personnel employed by the Church on generally accepted commercial employment terms.

Leadership Team: Provide leadership and support to the church members, and is responsible to Church Council for the furtherance of the Church's aims and objectives.

SOFA: Statement of Financial Activities.

SORP: Statement of Recommended Practice.

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds



Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 20 (cont.)

3) Income & Expenditure Analysis

a) Other Charitable Income

Fundraising has continued throughout the year with monthly coffee morning and sales from the craft stall up to March 2020, these ended due to lockdown.

Contributions towards cost of food and drinks - tea & coffee are provided after worship on a Sunday and contributions for this are included in a designated fund supporting the Children's and Young Peoples Ministry within the Church.

Contributions towards bible study resources - Bible study groups meet both within members' homes and also at Hillside. Study resources are funded from a specific donation, but participants do contribute to the cost of these resources on a voluntary basis.

	Unrestricted Funds	Restricted & Endowment Funds	Total 2019-20	Total 2018-19
Fundraising	163	2,094	2,256	2,308
Contributions towards cost of food & drinks	255		255	613
Contributions towards bible study resources		215	215	784
Fundraising for Sponsored Child	275		275	
Other	89	320	409	259
Total Other Charitable Income	781	2,629	3,410	3,963

b) Grants and Donations Made

Annual contributions are usually made to Connexional Funds held by the Methodist Church for mission in the UK and overseas, property and for the support of Presbyters and Deacons. In 2019-20 this donation was not made due to the Church financial situation.

	Total 2019-20	Total 2018-19
Methodist Connexional Funds	0	1,900
Sponsored Child (Action Aid)	180	180
Other	4	360
Total Grants & Donations	184	2,440

c) Insurance and Utilities

2019-20 electricity costs were higher than previous year due to installation of electric heaters in the hall and greater use of the link building during autumn and winter. The Church was closed from March 2020 when the weather was warm so there was no impact on gas costs, however water costs were lower due to the Church closure.

	Total 2019-20	Total 2018-19
Insurance	2,633	2,556
Electricity	2,157	1,268
Gas	3,105	3,168
Water	326	541
Total Insurance & Utilities	8,222	7,532



Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2020 (cont.)

d) Other Expenditure

Resources to support worship, study & teaching includes to the cost of providing the bible study resources, referred to in Note 3a above. Fundraising expenditure relates to resources for Greater Than Gold which sadly had to be postponed due to the National Lockdown in March 2020. The cost of food and drinks relate to the income described in Note 4 a) above.

	Unrestricted Funds	Restricted & Endowment Funds	Total 2019-20	Total 2018-19
Resources to support Worship, Study & Teaching	1,890	85	1,975	3,801
Fundraising Expenditure		522	522	1,159
Cost of Food & Drinks	260		260	258
Publicity & Advertising	240		240	142
Organ & Piano Repairs & Maintenance	377		377	693
Professional Fees			0	296
First Aid Course & Defib costs	626		626	0
Other	938	169	1,107	600
Total Other Expenditure	4,331	776	5,107	6,949

4) Property

The Church Land & Buildings relate to our Hillside Methodist Church, Hall and Link Building located in Brinscall.

	Church (non - investment) land and buildings	Other fixed assets including motor vehicles	Fixtures, fittings and equipment	Payments on account and assets under construction	Total 31 Aug 20
Cost/Valuation - balance b/f	1,762,158	0	2,010	0	1,764,168
Additions			0		0
Revaluations (+/-)					0
Disposals (-)					0
Cost/Valuation - Balance c/f	1,762,158	0	2,010	0	1,764,168
Depreciation - balance b/f	0	0	150	0	150
Depreciation - charge for year (-)			75		75
Depreciation - Revaluations (+/-)					0
Depreciation - Disposals (-)					0
Depreciation - balance c/f	0	0	225	0	225
Net Book Value - Brought forward	1,762,158	-	1,860	-	1,764,018
Net Book Value - Carried forward	1,762,158	-	1,785	-	1,763,943



Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2020 (cont.)

5) Debtors and Prepayments

All items shown as Debtors as at 31 August 2019 were received during the following year. All items paid in advance as at 31 August 2019 have been expensed in 2019-20 and it is expected that payments in advance as at 31 August 2020 will be expensed in 2020-21

	General Fund	Designated Funds	Restricted & Endowment Funds	Total at 31 Aug 20	Total at 31 Aug 19
Debtors					
Gift Aid	3,953		607	4,560	7,185
Rental Income	0			0	190
Other Debtors	0		0	0	90
Prepayments					
Circuit Assessment	13,920			13,920	13,627
Insurance	1,496			1,496	1,417
Other Prepayments	0		0	0	1,346
Total Debtors & Prepayments	19,369		607	19,976	22,350

6) Central Finance Board and Bank Balances

Monetary balances held at the Central Finance Board, Methodist Chapel Aid, the Royal Bank of Scotland and CAF bank are all available on demand without loss of interest. Separate bank accounts are held for some but not all of the Restricted Funds, therefore the split of the remaining balances is arbitrary, but wherever possible negative balances are not maintained.

	General Fund	Designated Funds	Restricted & Endowment Funds	Total at 31 Aug 20	Total at 31 Aug 19
Central Finance Board	2,172	18,289	48,849	69,310	65,203
Methodist Chapel Aid	1,754			1,754	1,740
Royal Bank of Scotland	12,149	27,706	15,262	55,117	71,449
CAF Bank	14,848		87	14,935	
Santander			354	354	298
Cash in Hand			199	199	235
Other Banks	28,750	27,706	15,902	72,358	73,722
Total CFB & Bank Balances	30,922	45,995	64,751	141,668	138,926



Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2020 (cont.)

7) Creditors, Accruals and Income in Advance

During 2017-18 our insurance company paid out for a water damage claim, but the work to rectify this has not yet been done, therefore this income continues to be deferred. All other balances as at 31st August 2019 were paid or released in the following year. It is expected that all other sums accrued or deferred as at 31st August 2020 will be paid during the year to 31 August 2021.

	General Fund	Designated Funds	Restricted & Endowment Funds	Total at 31 Aug 20	Total at 31 Aug 19
Deferred Income					
Insurance Claim Proceeds	1,610			1,610	1,610
Other					96
Creditors & Accruals					
Property Repairs & Improvements	310		0	310	5,411
Utilities	172			172	152
Others	0	0	0	0	47
Total Creditors, Accruals & Income in Advance	2,092	0	0	2,092	7,316

8) Funds

Unrestricted – General

	31-Aug-20	31-Aug-19
Balance	1,812,183	1,819,819

The purpose of the fund is for the use at the discretion of the Trustees in the furtherance of the general charitable objectives of the church. Approximately 97% (£1,764,093) of the fund is held as freehold property, namely the church and church hall land and building, leaving £48,240 available for current charitable purposes.

Unrestricted – Designated

	31-Aug-20	31-Aug-19
Balance	45,995	43,075

These funds are to service specific purposes but are not restricted by any document or deed to that purpose alone. Movements in these funds are set out in Note 8 below, and details of the specific funds are as follows:

Long Term Property Repairs – this contains provision for large/one off property repairs and maintenance costs including painting, re-wiring, new windows, boiler replacement and organ repairs. Relevant items of expenditure when incurred are charged to this fund, and an equivalent transfer from the general fund (if sufficient funds are available) is made.

Children & Young Peoples Ministries – these funds are used to support the resourcing of several children's and young people's groups within the church. Donations for tea and coffee after worship, together with other fundraising events are used to maintain the fund. If necessary, transfers from the General Fund are made to ensure that sufficient funds are available to support this work.

Other – this includes a donation received in memory of a loved one, where the donor specified that the money should not be used for general church purposes, together with historical fund balances which are now being utilised to support relevant projects.



Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2020 (cont).

Restricted and Endowment

	31-Aug-20	31-Aug-19
Restricted Funds	68,669	58,457
Endowment Funds	609	609
Total	69,279	59,067

These funds exist to support the causes and organisations listed below;

Building Project – this fund is to support the development of new facilities on the church site in Brinscall, and receives both regular and one-off donations, in addition to the net proceeds from fundraising events.

Other Church Organisations and Groups – the following organisations/funds are governed by the Church Council:- Hillside Youth Club, Hillside Fellowship, Hillside Craft Group and the Hillside Flower Fund.

Bequests – in accordance with the Standing Orders of the Methodist Church these bequests are deposited with TMCP to ensure that any provisions contained with the respective wills are met. One of the bequests is specifically for Sunday School, the others can be used for general church purposes

Adult Education – this is a donation given to the church specifically to support Adult Education. Relevant expenditure (largely Bible Study resources) is charged to this fund as and when it is incurred, net of any contributions received.

Anonymous Gift – the terms of this gift provide for the interest to be used for general church purposes. The capital is unavailable for use.

Summary of Fund Movements

Fund	Balance at 1 Sep 19	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 Aug 20
General	1,819,819	65,027	(72,663)	0	0	1,812,183
Property Reserves	37,984	0	0	0	0	37,984
Children & Young Peoples Ministries	2,811	530	(610)	0	0	2,731
Other	2,280	3,000	0	0	0	5,280
Total Designated Funds	43,075	3,530	(610)	0	0	45,995
Total Unrestricted	1,862,894	68,557	(73,273)	0	0	1,858,178
Building Project	36,271	13,346	(735)	0	0	48,882
Other Church Organisations & Groups	17,814	3,907	(6,459)	0	0	15,262
Bequests	3,374	29	(7)	0	0	3,396
Adult Education	998	215	(85)	0	0	1,128
Endowment - Anonymous Gift	609	0	0	0	0	609
Total Restricted & Endowment	59,067	17,497	(7,285)	0	0	69,279
Total of all Funds	1,921,961	86,054	(80,558)	0	0	1,927,457



Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2020 (cont).

Analysis of Net Assets between Funds

	General	Designated Funds	Restricted & Endowment Funds	Balance at 31 Aug 20	Balance at 31 Aug 19
Tangible Fixed Assets	1,763,943	0	0	1,763,943	1,764,018
Investments	0	0	4,006	4,006	3,983
Current Assets	50,332	45,995	65,317	161,644	161,276
Current Liabilities	(2,092)	0	(44)	(2,136)	(7,316)
Total	1,812,183	45,995	69,279	1,927,457	1,921,961

9) Related Parties

No donations were made by the Trustees during the year that had conditions attached. Related parties include the Methodist Connexion, CFB, TMCP and the Chorley & Leyland Methodist Circuit. The table below shows details of related party transactions during the year

Name		Receipts	Payments	Balance due (from) to the Church at 31 Aug 20
Chorley & Leyland Methodist Circuit	Assessment		(54,508)	0
Chorley & Leyland Methodist Circuit	Connexional Funds		0	0
Total		0	(54,508)	0

10) Agency Collections and Payments

During the year the Church organised several collections and appeals for other charitable organisations. These are tabulated below, and do not appear anywhere else within these accounts. Those appeals/collections that were in respect of related parties are marked *

Name	Details	Receipts	Payments	Balance due (from) to the Church at 31 Aug 20
All We Can*	Harvest Offering	405	(405)	0
All We Can*	Hurricane Appeal	250	(250)	0
Methodist Church Mission Fund*	Easter Offering	0	0	0
Barnardos Bay 6	Circuit Charity	42	(42)	0
Christian Aid	Christian Aid Week	0	0	0
Salvation Army	Christmas Appeal	457	(457)	0
Chorley Help the Homeless	Christmas Appeal	457	(457)	0
NightSafe	Christmas Appeal	457	(457)	0
Total		2,068	(2,068)	0



Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2020 (cont).

11) Trustee Payments

There were no payments to Trustees in the year in relation to their role as Trustee.

12) Volunteer Contributions

Every entity (Connexion, District, Circuit and Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. In the Church this is done across a whole range of areas, and we are grateful to everyone who does volunteer their time, help and commitment. No attempt has been made to value the non-monetary contributions in monetary terms.

13) Capital Commitments and Contingent Liabilities

None

14) Lease Commitments

The Church has contracts or obligations for the following

Telephone and Broadband

Photocopier

The annual cost of these is not considered material

15) Independent Examiner

The Independent Examiner does not charge a fee for his services and provided no additional services during the year.



Hillside Methodist Church

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2020 have been prepared from the records of the Church and that they include all funds under the control of the Church Council.

Signature of treasurer A.E. Melling Date 17.02.2021

Name and address of treasurer Mrs A.E. Melling, A.C.M.A, 16 Millwood Close, Withnell Fold, Chorley, PR6 8AR

Presentation to the Church Council

I confirm that the annual report and accounts for the year ended 31 August 2020 were presented to the Church Council at its meeting on 17th February 2021

Signature of the Chair of the meeting Karen A. Hilsden

Name of the Chair of the meeting Rev K Hilsden..... Date 17.02.2021

Independent Examiner's Report to the Trustees of the Church, named above

The Church' trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2020 present a true and fair view of the Church's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

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



Hillside Methodist Church

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts, seeking explanations from the trustees concerning 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. My 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 (other than as disclosed below*)

- (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 2011
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

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.
- (3) I ~~have~~/have not* obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner.....

Name of independent examiner: David Hollinghurst

Relevant professional qualification of independent examiner: FCMA

Name of firm (where appropriate) N/A

Address: 61, Balcarres Road, Leyland, PR25 2EJ

Date: 22 February 2021