



Hillside **Methodist** Church

# Trustees Annual Report & Accounts 2021-22



Registered Charity No. 1175950



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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 120 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".

## Basis of Preparation and Legal Framework

The Charity's annual report and accounts for the year ended 31 August 2022 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, CAF Bank, Santander, Chapel Aid.

**Independent Examiner:** Mr J Fishwick. ACMA

**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 Karen Hilsden	Chair	Dave Wallis	Annual Church Meeting
		Geoff Horton	
		Norma Klunder (Appointed 22 Jun 22)	
Angela Melling	Church Treasurer	Michaela Barker (Resigned 22 Jun 22)	
Linda Yates	Pastoral Committee Secretary	Anne Waring	
		Ken Guy (Deceased 10 Oct 22)	Church Council
		Duncan Frost	
Annette Cupit	Circuit Steward	Janet Horton	
Tim Melling	Head Steward	Chris Howard	
Steven Amos	Steward	Mark Mackley	
Beryl Frankish	Steward	Sarah Krige (Appointed 12 Jul 22)	
Joyce Nicolson	Steward (Resigned 31 May 2022)	Maureen Amos	
Katherine Klunder	Steward	Vicki Gow	
Harry Chaplin	Steward (Appointed 22 Jun 2022)	Paul Barron	
		Joanne Colling	



# 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 continues to meet 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

During the year 2021-22, as the people of God at Hillside, we continued to discover what our identity meant as we emerged from the pandemic.

Through the pandemic we have discovered and been venturing into some new initiatives and the leadership team have been keen to harness these as we moved forward.

## Worship

Worship is the heartbeat of all that we do at Hillside, with worship for all ages being offered.

Services on Sunday continue each week at 10.00am with refreshments served after the service, giving everyone a chance to meet and catch up with one another. We are delighted that the children's and youth ministry was relaunched in September 2021, with a different format. This is being ably led by a small but faithful group of leaders and facilitators. During the year the young people have explored several different themes including Bear Grylls Book, Soul Fuel for Young Explorers and this was incorporated into several all-age services. We have a faithful number of children and youth who attend with their families; however, we do continue to face the disappointment of faithful families who are unsuccessful in securing their first choice of high school within St. Michael's. Consequently, there are ongoing conversations about the impact of this upon numbers of children and families worshipping at Hillside.

Some of our members continue to be involved in preparing and publishing the Circuit online service watched by over a 100 people each week.

Our Christmas services were slightly adapted due to a spike in Covid infections around that time and it was decided not to hold the very popular Christingle service, in the normal way. This was held at the end of January, with the families of the church community attending. Easter services were as normal and for the first time in three years we held a Communion Service at sunrise at the "Three Trees" (a local viewpoint) followed by a cooked breakfast back at the church. This year as well as the walk of witness on Good Friday, we also observed an hour at the cross from 2-3pm and this was important to those who attended.

We once again built a large Advent wreath; this was placed outside the front of the church with the Reverend Karen Hilsden giving an online reflection each week on Facebook as each candle was lit. This enabled those who may never enter the church building to engagement with the themes of advent.

Brinscall to Bethlehem, (an outdoor portrayal of the Christmas story) a joint effort with Hillside, St John's School, and the Salvation Army, coordinated by Geoff Horton and Reverend Karen Hilsden took place. Despite a few last-minute hiccups, it was a great success attended by many from the community braving the poor weather. A bucket collection was held for the work of the Salvation Army.

As well as the joint work for Brinscall to Bethlehem, we were once again glad to welcome the St John's School family for Christmas and Easter Celebrations, as well as individual year groups coming to explore baptism and the church building as part of their curriculum. There is a strengthening of relationships between St. John's and Hillside for which everybody is grateful to God.

As part of this years themed preaching, we have been thinking about our frontlines and how from our worship on a Sunday we are sent into lots of different places to serve and be in partnership with our God who is missional. Sometimes this is locally, through our work as Hillside in the community, for others it is as GP's, as Teachers, working in the local authority, working in I.T, for others working in finance or in the criminal justice system. This all flows from our worship.

## Hillside in the Community

One of our personal growth's during the pandemic has been our community involvement and this is something we did not want to lose sight of, but to build upon.

As we hoped we were emerging from the pandemic we wanted to host an event at Hillside to bring people together and welcome them to Hillside. An event of hospitality and building community after such a long time in isolation. Our Hillside in the Community Group planned a Sunday afternoon of fun: named A Hive of Activity at Hillside. Our committed knitters knitted bees which were given out as part of the afternoon, along with jars of honey, there were also games, crafts, refreshments and a "Bee creative" competition. At the end of the afternoon, we came together to celebrate building our lives together as a community in a lively act of worship.



# Hillside Methodist Church

The Hillside knitters continued to knit, as soon as they had finished knitting bees, the knitters started knitting for Christmas and made over 400 Christmas stockings, these were filled with a sweet, bagged with a label and then distributed around Brinscall, Withnell and Withnell Fold. There were many positive comments from the community, verbally and on Facebook saying how much these were appreciated. A Christmas stocking and a Christmas card were distributed to all those on our Community Contacts list.

The Queen's Platinum Jubilee was celebrated on Friday 3<sup>rd</sup> June: with crafts, games, a selfie booth, and a selection of music playing outside from the decades of the Queen's reign. The day ended with Singing in the Reign, a sing-along in the church with a PowerPoint containing the words to the songs from the decades. This was thoroughly enjoyed by those that attended.

Souvenir books: The church ordered 100 copies of the book "Cheeky Panda", a book based on the Queen's faithfulness for children. We also purchased 150 copies of "Our Faithful Queen, 70 years of Faith and Service" by Catherine Butcher. These were distributed at the event.

We are very grateful to Withnell Parish Council and Arnold Clarke Community Fund for their financial support towards our work in the community.

Our monthly Coffee mornings have been reintroduced, rebranded as Coffee & Chat, where we serve bacon butties, cakes, and drinks. We held an extended Christmas Coffee & Chat in December as an opportunity to invite in more members of the community. This was very well attended, with a lovely, relaxed atmosphere where people could do some shopping and have lunch or refreshments. We also managed to raise over £1,175 for Church funds.

As well as Brinscall Preschool and Karate group returning as regular lettings contributing to the income of the church, we welcomed the art group who have moved from Withnell Fold Methodist Chapel.

One of the questions we visited again and again through the year was, how does the hospitality we offer through all of the community events embody our faith reflecting what we believe about God.

## Communication and Resources

Regular meetings such as Leadership Team, Property, Pastoral Visitors, Finance Group, Children's work, Church Council and Monday Morning Prayer session were introduced back at church and House group bible studies were recommenced in-person. On occasions, when appropriate, zoom technology has been used.

Our weekly online Newsletter continues to be sent to 134 people by Mailchimp, sharing news, information and links to local events thus keeping in contact with the congregation. Paper copies are produced for those not online. Our online presence continues with our Facebook page giving information and live feeds of the Church's activities.

Through all that we do, we are grateful to the faithful members of Hillside Methodist Church who give of their gifts and graces to seek to enable Hillside Methodist Church to be a Church at the Heart of the Community.





# Hillside Methodist Church

## Financial Review

### General Fund (Unrestricted)

As at 31<sup>st</sup> August 2022, the General Fund shows a surplus and net positive movement in funds for the year of £6,074. Income in the year is £71,589 which is £7,447 (9.5%) lower than the previous year. Fundraising income of £2,769 is included in "Other Income". In previous years this has been included in the building fund figures, which is a restricted fund.

Income Stream	2021-22	2020-21	Variance
Offerings	46,168	52,491	(6,323)
Donations	1,969	1,129	840
Gift Aid	11,504	12,957	(1,453)
Interest	292	79	213
Other Income	3,417	5,578	(2,161)
Lettings	8,239	6,802	1,437
<b>Total</b>	<b>71,589</b>	<b>79,036</b>	<b>1,437</b>

Expenditure was £65,515 which is £3,406 (4.9%) below previous years as detailed below.

Expenditure	2021-22	2020-21	Variance
Circuit Assessment	49,224	55,680	6,456
Grants & donations	0	110	110
Property Maintenance	3,493	3,545	52
Insurance & utilities	9,257	7,252	(2,005)
Other Expenditure	3,541	2,334	(1,207)
<b>Total</b>	<b>65,515</b>	<b>68,921</b>	<b>3,406</b>

### Designated Funds (Unrestricted)

These funds increased by £3,472. The balance relates to donations and grants to the Community Fund which was established in 2020 to provide funding for work in the Community.

### Restricted and Endowment Funds

These funds increased by £7,267, 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 2022 the General Fund after deducting the value of the Church Property stood at £64,579. The annual operating expense forecast for 2022-23 is £67,633, therefore we currently hold 11 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 2022/23**

Like many other charities Hillside faces mounting financial pressures, and continues to rely on a relatively small group of members who give faithfully. Through a combination of prayer and hard work financial balance is achieved each year, but not without challenges, and 2022/23 will be one of the most challenging for many years. The inflationary pressures that everyone one is feeling at home, together with the challenges within our own operating budget will make this year especially hard.

Work is now planned to look at new ways of connecting with and providing worship and study opportunities for families who face the ever-increasing challenges and busyness of family life.

In December 2023 Hillside responded to the challenge laid down by both Central and Local Government to provide a welcoming warm space. The Hillside Hub opens every Friday and is a thriving centre of activity providing friendship and much more to nearly 30 people each week.

## **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 13<sup>th</sup> March 2023 and signed on their behalf by:*

Rev K Hilsden (Chair of Trustees) Karen A. Hilsden



## Financial Statements

For the Year Ending 31 August 2022



# Hillside Methodist Church

## Hillside Methodist Church

### Statement of Financial Activities (SOFA) for the year ended 31 August 2022 - £s

		Unrestricted				
	Note No.	General Fund	Designated Funds	Restricted & Endowment Funds	Total 2021-22	Total 2020-21
<b>Income and Endowments</b>						
Offerings		46,168	0	0	46,168	52,571
Donations		1,969	2,459	5,675	10,102	9,272
Gift Aid		11,504	665	1,409	13,578	13,424
Interest and investment income		292	0	151	443	141
Income from Investment Properties		0	0	0	0	0
Internal organisations		0	0	0	0	0
Other charitable income	3a	3,417	2,026	196	5,639	8,706
<b>Total from Charitable Activities</b>		<b>63,350</b>	<b>5,150</b>	<b>7,431</b>	<b>75,930</b>	<b>84,114</b>
Income from Lettings		8,239	0	0	8,239	56,802
<b>Total Income and Endowments</b>		<b>71,589</b>	<b>5,150</b>	<b>7,431</b>	<b>84,169</b>	<b>90,916</b>
<b>Expenditure</b>						
Circuit assessment or share		49,224	0	0	49,224	55,680
Grants and donations	3b	0	180	0	180	644
Property maintenance		3,493	0	0	3,493	3,545
Insurance, utilities etc		9,257	0	0	9,257	7,252
Provisions		0	0	0	0	0
Depreciation		75	0	0	75	75
Office expenses		281	0	0	281	345
Other expenditure	3d	3,186	1,498	164	4,847	3,654
Internal organisations		0	0	0	0	0
<b>Total Charitable Expenditure</b>		<b>65,515</b>	<b>1,678</b>	<b>164</b>	<b>67,357</b>	<b>71,195</b>
Gain/(loss) on monetary investments		0	0	0	0	0
Gain/(loss) on investment properties		0	0	0	0	0
<b>Net Income/(Expenditure)</b>		<b>6,074</b>	<b>3,472</b>	<b>7,267</b>	<b>16,812</b>	<b>19,722</b>
Transfers between funds		0	0	0	0	0
Other gains/(losses)		0	0	0	0	0
<b>Net Movement in Funds</b>		<b>6,074</b>	<b>3,472</b>	<b>7,267</b>	<b>16,812</b>	<b>19,722</b>
Total funds brought forward		1,822,298	51,986	72,895	1,947,179	1,927,457
<b>Total Funds Carried Forward</b>		<b>1,828,372</b>	<b>55,458</b>	<b>80,162</b>	<b>1,963,991</b>	<b>1,947,179</b>



# Hillside Methodist Church

## Hillside Methodist Church

### Balance Sheet as at 31 August 2022 - £s

		Unrestricted		Restricted & Endowment Funds	Totals 2022	Totals 2021
	Note No.	General Fund	Designated Funds			
<b>Fixed Assets</b>						
Church building & other property	4	1,763,793	0	0	1,763,793	1,763,868
Investments		0	0	609	609	608
<b>Total Fixed Assets</b>		<b>1,763,793</b>	<b>0</b>	<b>609</b>	<b>1,764,402</b>	<b>1,764,476</b>
<b>Current Assets</b>						
Debtors and prepayments	5	18,003	648	568	19,219	19,896
Loans by the Churches		0	0	0	0	0
Investments with TMCP		0	0	0	0	0
Central Finance Board Deposits	6	48,648	18,289	49,017	115,955	85,517
Cash at Bank and in hand	6	1,355	36,541	30,538	68,434	79,264
<b>Total Current Assets</b>		<b>68,006</b>	<b>55,478</b>	<b>80,124</b>	<b>203,608</b>	<b>184,679</b>
<b>Current liabilities</b>						
Creditors (due in under 1 year)	7	3,427	21	571	4,019	1,976
Grants Payable within 2021-22		0	0	0	0	0
<b>Total Current Liabilities</b>		<b>3,427</b>	<b>21</b>	<b>571</b>	<b>4,019</b>	<b>1,976</b>
<b>Net Current Assets/Liabilities</b>		<b>64,579</b>	<b>55,457</b>	<b>79,553</b>	<b>199,589</b>	<b>182,703</b>
<b>Total Assets less Current Liabilities</b>		<b>1,828,372</b>	<b>55,457</b>	<b>80,162</b>	<b>1,963,991</b>	<b>1,947,179</b>
<b>Long term liabilities (&gt; 1 year)</b>						
Grants Payable after 2021-22		0	0	0	0	0
Loans to the Church		0	0	0	0	0
<b>Net Assets</b>		<b>1,828,372</b>	<b>55,457</b>	<b>80,162</b>	<b>1,963,991</b>	<b>1,947,179</b>
<b>Funds of the Church</b>						
General Fund (Unrestricted)		1,828,372			1,828,372	1,822,298
Designated Funds (Unrestricted)			55,457		55,457	51,986
<b>Total Unrestricted Funds</b>		<b>1,828,372</b>	<b>55,457</b>	<b>0</b>	<b>1,883,829</b>	<b>1,874,284</b>
Restricted & Endowment Funds				80,162	80,162	72,895
<b>Total Funds</b>	8	<b>1,828,372</b>	<b>55,457</b>	<b>80,162</b>	<b>1,963,991</b>	<b>1,947,179</b>



# Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2022

## 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 2021, 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 2022 (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 deprecation 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 2022 (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 Charities 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 22 (cont.)

## 3) Income & Expenditure Analysis

### a) Other Charitable Income

During the year there were a number of fundraising activities, these included sales from the Church stall, Cake sales, coffee and chat session, Christmas coffee and chat and wreath making.

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

Other relates to grants received for the Community fund from Withnell Parish Council, and Arnold Clarke Motors and a grant from Circuit to cover the costs of the digital collection plate machine. The Community Fund is a designated fund.

	Unrestricted Funds	Restricted & Endowment Funds	Total 2021-22	Total 2020-21
Fundraising	3,034	0	3,034	5,578
Contributions towards cost of food & drinks	319	0	319	0
Contributions towards bible study resources	0	196	196	66
Fundraising for Sponsored Child	11	0	11	0
Other	2,079	0	2,079	3,062
<b>Total Other Charitable Income</b>	<b>5,443</b>	<b>196</b>	<b>5,639</b>	<b>8,706</b>

### b) Grants and Donations Made

The grant made relates to £15 a month paid to Action Aid to sponsor a child.

	Total 2021-22	Total 2020-21
Methodist Connexional Funds	0	00
Sponsored Child (Action Aid)	180	180
Other	0	100
<b>Total Grants &amp; Donations</b>	<b>180</b>	<b>290</b>

### c) Insurance and Utilities

2020-21 utility costs, (except for insurance), were slightly lower than last year. Although the Church was closed for most of the year, Playgroup and Karate continued to use the hall.

	Total 2021-22	Total 2020-21
Insurance	2,824	2,651
Electricity	3,607	1,712
Gas	2,368	2,681
Water	458	208
<b>Total Insurance &amp; Utilities</b>	<b>9,257</b>	<b>7,252</b>



# Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2022 (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. Other expenditure in general funds include cleaning items, subscriptions, bank charges, bibles for St John's School and benevolence fund costs.

	Unrestricted Funds	Restricted & Endowment Funds	Total 2021-22	Total 2020-21
Resources to support Worship, Study & Teaching	1,629	164	1,793	706
Fundraising Expenditure	100		100	22
Publicity & Advertising	0		0	188
Organ & Piano Repairs & Maintenance	402		402	377
Community Fund Expenditure	444		444	1,166
First Aid Course & Defib costs	0		0	
Other	2,109		2,109	1,195
<b>Total Other Expenditure</b>	<b>4,684</b>	<b>164</b>	<b>4,848</b>	<b>3,654</b>

## 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 21
Cost/Valuation - balance b/f	1,762,158	0	2,010	0	1,764,168
Additions			0		0
Revaluations (+/-)					0
Disposals (-)					0
<b>Cost/Valuation - Balance c/f</b>	<b>1,762,158</b>	<b>0</b>	<b>2,010</b>	<b>0</b>	<b>1,764,168</b>
Depreciation - balance b/f	0	0	300	0	300
Depreciation - charge for year (-)			75		75
Deprecation - Revaluations (+/-)					0
Depreciation - Disposals (-)					0
<b>Depreciation - balance c/f</b>	<b>0</b>	<b>0</b>	<b>375</b>	<b>0</b>	<b>375</b>
<b>Net Book Value - Brought forward</b>	<b>1,762,158</b>	<b>-</b>	<b>1,710</b>	<b>-</b>	<b>1,763,868</b>
<b>Net Book Value - Carried forward</b>	<b>1,762,158</b>	<b>-</b>	<b>1,635</b>	<b>-</b>	<b>1,763,793</b>



# Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2022 (cont.)

## 5) Debtors and Prepayments

All items shown as Debtors as at 31 August 2021 were received during the following year. All items paid in advance as at 31 August 2021 have been expensed in 2021-22 and it is expected that payments in advance as at 31 August 2022 will be expensed in 2022-23.

	General Fund	Designated Funds	Restricted & Endowment Funds	Total at 31 Aug 22	Total at 31 Aug 21
<b>Debtors</b>					
Gift Aid	4,039	625	568	5,232	5,169
Rental Income	0	0	0	0	90
Other Debtors	34	23	0	57	790
<b>Prepayments</b>					
Circuit Assessment	12,306	0	0	12,306	12,306
Insurance	1,624	0	0	1,624	1,513
Other Prepayments	0	0	0	0	28
<b>Total Debtors &amp; Prepayments</b>	<b>18,003</b>	<b>648</b>	<b>568</b>	<b>19,219</b>	<b>19,896</b>

## 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 22	Total at 31 Aug 21
<b>Central Finance Board</b>	<b>41,649</b>	<b>25,089</b>	<b>49,217</b>	<b>115,955</b>	<b>85,517</b>
Methodist Chapel Aid	1,768	0	0	1,768	1,763
Royal Bank of Scotland / CAF Bank	6,587	29,740	30,124	66,451	77,287
Cash in Hand	0	0	214	214	215
<b>Other Banks</b>	<b>8,355</b>	<b>29,740</b>	<b>30,338</b>	<b>68,433</b>	<b>79,265</b>
<b>Total CFB &amp; Bank Balances</b>	<b>50,003</b>	<b>54,830</b>	<b>79,555</b>	<b>184,388</b>	<b>164,782</b>



# Hillside Methodist Church

Notes to the Accounts for the Year Ending 31 August 2022 (cont.)

## 7) Creditors, Accruals and Income in Advance

During 2017-18 our insurers paid out for a water damage claim, but the work to rectify this has not yet been done. With agreement from our insurers this income continues to be deferred. All other balances as at 31<sup>st</sup> August 2021 were paid or released in the following year. It is expected that all other sums accrued or deferred as at 31<sup>st</sup> August 2022 will be paid during the year to 31 August 2023.

	General Fund	Designated Funds	Restricted & Endowment Funds	Total at 31 Aug 22	Total at 31 Aug 21
<b>Deferred Income</b>					
Insurance Claim Proceeds	1,610	0	0	1,610	1,610
Other	304	0	571	875	238
<b>Creditors &amp; Accruals</b>	0	0	0	0	0
Property Repairs & Improvements	0	0	0	0	0
Utilities	1,513	0	0	1,513	59
Others	0	21	0	21	69
<b>Total Creditors, Accruals &amp; Income in Advance</b>	<b>3,427</b>	<b>21</b>	<b>571</b>	<b>4,019</b>	<b>1,976</b>

## 8) Funds

### Unrestricted – General

	31-Aug-22	31-Aug-21
Balance	1,828,372	1,822,298

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% (£1,763,793) of the fund is held as freehold property, namely the church and church hall land and building, leaving £64,579 available for current charitable purposes.

### Unrestricted – Designated

	31-Aug-22	31-Aug-21
Balance	55,457	51,986

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 2022 (cont.).

## Restricted and Endowment

	31-Aug-22	31-Aug-21
Restricted Funds	79,553	72,287
Endowment Funds	609	608
<b>Total</b>	<b>80,162</b>	<b>72,895</b>

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.

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

**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 21	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 Aug 22
<b>General</b>	<b>1,822,298</b>	<b>71,589</b>	<b>(65,515)</b>	<b>0</b>	<b>0</b>	<b>1,828,372</b>
Property Reserves	37,984	0	0	0	0	37,984
Children & Young Peoples Ministries	2,731	37	(217)	0	0	2,551
Other	11,271	5,112	(1,461)	0	0	14,922
<b>Total Designated Funds</b>	<b>51,986</b>	<b>5,149</b>	<b>(1,678)</b>	<b>0</b>	<b>0</b>	<b>55,457</b>
<b>Total Unrestricted</b>	<b>1,874,284</b>	<b>76,738</b>	<b>(67,193)</b>	<b>0</b>		<b>1,883,829</b>
Building Project	56,154	7,235	0	0	0	63,389
Other Church Organisations & Groups	14,939	0	0	0	0	14,939
Bequests	0	0	0	0	0	0
Adult Education	1,194	196	(165)	0	0	1,225
Endowment - Anonymous Gift	608	1	0	0	0	609
<b>Total Restricted &amp; Endowment</b>	<b>72,895</b>	<b>7,431</b>	<b>(165)</b>	<b>0</b>	<b>0</b>	<b>80,162</b>
<b>Total of all Funds</b>	<b>1,947,179</b>			<b>0</b>	<b>0</b>	<b>1,963,991</b>

Notes to the Accounts for the Year Ending 31 August 2022 (cont.).





# Hillside Methodist Church

## Analysis of Net Assets between Funds

	General	Designated Funds	Restricted & Endowment Funds	Balance at 31 Aug 22	Balance at 31 Aug 21
Tangible Fixed Assets	1,763,793	0	0	1,763,793	1,763,868
Investments	0	0	609	609	608
Current Assets	68,006	55,478	80,124	203,608	184,679
Current Liabilities	(3,427)	(21)	(571)	(4,019)	(1,976)
<b>Total</b>	<b>1,828,372</b>	<b>55,457</b>	<b>80,162</b>	<b>1,963,991</b>	<b>1,947,179</b>

## 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 22
Chorley & Leyland Methodist Circuit	Assessment		(49,224)	0
Chorley & Leyland Methodist Circuit	Connexional Funds		0	0
<b>Total</b>		<b>0</b>	<b>(49,224)</b>	<b>0</b>

## 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 22
All We Can*	General Donation	29	(29)	0
Salvation Army	Brinscall to Bethlehem	330	(330)	0
DEC	Ukraine Appeal	62	(62)	0
British Red Cross	Ukraine Appeal	1,934	(1,934)	0
Chorley Help the Homeless	Christmas Refreshments	65	(65)	0
Night Safe	Christmas Appeal	436	(436)	0
Christian Aid	Sisters Stronger Together Appeal	303	(303)	0
<b>Total</b>		<b>3,159</b>	<b>(3,159)</b>	<b>0</b>



# Hillside Methodist Church

*Notes to the Accounts for the Year Ending 31 August 2022 (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 2022 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.....

Name and address of treasurer Mrs A.E. Melling, ACMA, 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 2021 were presented to the Church Council at its meeting on 2<sup>nd</sup> February 2022

Signature of the Chair of the meeting ..... *Karen A. Hilsden* .....

Name of the Chair of the meeting Rev K Hilsden..... Date *13/03/2023* .....

### 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.



## 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: Jim Fishwick

Relevant professional qualification of independent examiner: ACMA

Name of firm (where appropriate) N/A

Address: 8 COUNTESS WAY,  
EUXTON  
CHORLEY

Date: LANCASHIRE PR7 6PT

13 MARCH 2023