

EMMANUEL CHURCH, EASTBOURNE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



Caladine

Chartered Certified Accountants

EMMANUEL CHURCH, EASTBOURNE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Auger	
	T Bacon	
	R Caffyn	
	P Chamberlain	
	C Coules	
	P Easton	
	J Gray	
	M Howarth	
	C Jewell	
	P Plowman	
	A Reid	
	M Richards	
	A Sharp	
	Rev M Shahbaz (ex-officio)	
	J Stirney	
	Rev P Tabraham (ex-officio)	
	Ms R Graham	(Appointed 6 June 2023)
Charity number	1177439	
Principal address	Emmanuel Church 48A Upperton Road Eastbourne BN21 1LQ	
Independent examiner	John Caladine FCCA CTA FCIE Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
Bankers	Trustees for Methodist Church Purposes Central Finance Board of the Methodist Church CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ HSBC 94 Terminus Road Eastbourne East Sussex BN21 3ND	

EMMANUEL CHURCH, EASTBOURNE

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EMMANUEL CHURCH, EASTBOURNE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Church's Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The purposes of the Church are and shall be deemed to have been since the date of formation :-

- (a) the advancement of the Christian Faith in accordance with the doctrinal standards and the discipline of the Methodist Church and United Reformed Church;
- (b) any Charitable purpose for the time being of any connexional, district, circuit, local or other organisation of the Methodist Church and United Reformed Church;
- (c) any Charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church and United Reformed Church;
- (d) any purpose for the time being of any Society being a Charity subsidiary or ancillary to the Methodist Church and United Reformed Church.

In achieving its purpose, the Charity will engage in a range of activities, either on its own or with others, including (but not restricted to):

- i) the celebration of public worship
- ii) the teaching of the Christian Faith
- iii) mission and evangelism
- iv) pastoral work, including visiting the sick and the bereaved
- v) the provision of facilities with a Christian ethos for the local community, including (but not restricted to) the elderly, the young and other groups with special needs
- vi) the support of other charities in the UK and overseas

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Church should undertake.

Achievements and performance

Emmanuel Church, Eastbourne, is a church and charity that came into being in January 2018 as a partnership between four Methodist and United Reformed Churches in Eastbourne. We are a Single-Congregation Local Ecumenical Partnership, formed from four constituent churches: Central and Greenfield Methodist Churches, St. Andrews and Upperton United Reformed Churches. We use the model Constitution and Sharing Agreement required by both denominations.

Emmanuel Church exists to celebrate worship, fellowship, and ensure the pastoral care of all of its members and adherents, and seeks to live out its calling as a church by a ministry of care and compassion to the community it serves. Consequently, a great deal of our activity as a church involves various groups locally. For example, our children and families work includes running our Jenny Wren Nursery, Little Wrens Toddlers and various events throughout the year. We engage with people who may be vulnerable through reasons of poverty, isolation or homelessness, supporting them through our activities with the Eastbourne Winter Night Shelter, Eastbourne Foodbank, and Street Pastors among others. We raise considerable funds for a number of charitable resources locally and nationally, and we are an active partner in Churches Together for Eastbourne.

EMMANUEL CHURCH, EASTBOURNE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The most significant change of 2023 is the move of Emmanuel Church from its temporary home using Greenfield Road Methodist Church premises, to the new purpose-built building on Upperton Road. The certificate of Practical Completion was completed on Friday 1st September 2023. Consequently, a huge effort has been undertaken to move all the church worship, fellowship and community activities from one place to another, without interruption or excessive disruption to all those who are connected to the church. The culmination of the move into Upperton Road has been a significant achievement which has taken many years to come to fruition. Having sold Central Methodist Church's premises in 2018 and St. Andrews United Reformed Church in 2019, our last building to sell is Greenfield Methodist Church and at the time of writing, completion of this sale has just gone through, with The Methodist Chapel Aid bridging loan being repaid from these completion proceeds.

While acknowledging the progress made in the preceding twelve months and the conclusion of the building scheme, Emmanuel Church as a church and charity is continuing to bear the consequences of the challenges of the project. These include the length of time the new build has taken; the significant increases in the overall cost of the project due to pressures of inflation, shortages of materials and post-Brexit and pandemic economic factors. The fact that many of these difficulties could not be foreseen or anticipated in earlier stages of the planning is irrelevant in that Emmanuel Church has nonetheless had to adjust financial preparations throughout and show great perseverance to complete the scheme in the face of great adversity.

In our venture, the continued support of the wider Methodist and United Reformed Churches has been invaluable. The underwriting of the scheme by Methodist funds from the Central Sussex United Area and the Southern Synod of the United Reformed Church has enabled us to complete the scheme. In addition, we have continued to fundraise locally and continued to make many applications to external sources. As Chair of the Trustees, I can testify to the remarkable support we have received from our church family, our wider community, grant-making bodies both local and national, and the wider Church.

In our early months of being in the new premises, we are already changing and developing as a church, welcoming new members and seeing the building used by church groups and members of community groups alike. We've hosted groups from local schools and local care homes, held open days and various events. The potential for Emmanuel Church to serve our local town is significant, particularly as the only Inclusive Church in the Eastbourne area. In addition, we are embarking on significant planning for the hosting of an exhibition – 'New Vision' – of the Methodist Modern Art Collection in May and June 2024.

As a church we are looking forward to all the challenges and opportunities which lie ahead. Our calling is to embody the love of God in all that we do, and by God's grace we will do our best to fulfil that calling.

Financial review

The church recorded a deficit of £1,297,232 in the year ended 31 August 2023 as it continued work on the new church building project (2022: surplus of £7,560). At the end of the year the church had overdrawn funds of £517,075 (2022: positive funds of £780,157) of which £634,855 were unrestricted (2022: £669,577).

Reserves policy

It is the policy of the Church that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to twelve month's worth of ministerial costs (£120,000) plus the likely cost of staff redundancy payments (£8,000) to a total of £128,000. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Church's current activities while consideration is given to ways in which additional funds may be raised.

The Church is currently in the process of construction of a new church building which significantly affects reserves held.

Risk assessment

The Trustees has assessed the major risks to which the Church is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Church is governed by its constitution for a Single Congregation Local Ecumenical Partnership (SCLEP) adopted 7 January 2018 and registered with the Charity Commission on the 6 March 2018.

EMMANUEL CHURCH, EASTBOURNE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees who served during the year and up to the date of signature of the financial statements were:

C Auger
T Bacon
R Caffyn
P Chamberlain
C Coules
P Easton
J Gray
M Howarth
C Jewell
P Plowman
A Reid
M Richards
A Sharp
Rev M Shahbaz (ex-officio)
M Staplehurst (Resigned 31 December 2022)
J Stirney
Rev P Tabraham (ex-officio)
Ms R Graham (Appointed 6 June 2023)

Ex-officio Trustees are the ministers of the LEP.

There can be a maximum of 16 elected Trustees and 12 co-opted Trustees.

Trustees are elected after being nominated and voted at a Congregational Meeting.

None of the Trustees has any beneficial interest in the LEP.

The day to day operation of the church is lead by Rev P Tabraham and Rev M Shahbaz together with support, pastoral and administrative staff subject to the oversight of the Trustees.

Trustee training

Specific support training and guidance is given to the Trustees by the Methodist and United Reformed Churches.

The Trustees' report was approved by the Board of Trustees.



Rev P Tabraham (ex-officio)
Chairman of Trustees

28 March 2024

EMMANUEL CHURCH, EASTBOURNE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF EMMANUEL CHURCH, EASTBOURNE

I report to the Trustees on my examination of the financial statements of Emmanuel Church, Eastbourne (the Church) for the year ended 31 August 2023.

Responsibilities and basis of report

As the Trustees of the Church you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Church's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Church's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

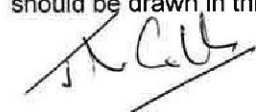
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Church as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



John Caladine FCCA CTA FCIE

Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Dated: 16 April 2024

EMMANUEL CHURCH, EASTBOURNE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
<u>Income from:</u>									
Donations and legacies	3	121,396	221,701	-	343,097	99,807	1,770,406	-	1,870,213
Charitable activities	4	-	43,899	-	43,899	-	44,888	-	44,888
Other trading activities	5	2,844	-	-	2,844	4,821	-	-	4,821
Investments	6	1,957	101	-	2,058	529	-	-	529
Other income	7	-	-	-	-	-	2,213	-	2,213
Total income		126,197	265,701	-	391,898	105,157	1,817,507	-	1,922,664
<u>Expenditure on:</u>									
Charitable activities	8	158,913	66,945	-	225,858	142,831	48,971	-	191,802
Other costs for the Emmanuel Church new building project	13	-	1,463,182	-	1,463,182	-	1,723,106	-	1,723,106
Total resources expended		158,913	1,530,127	-	1,689,040	142,831	1,772,077	-	1,914,908
Net gains/(losses) on investments	14	-	-	(90)	(90)	-	-	(196)	(196)

EMMANUEL CHURCH, EASTBOURNE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Net (outgoing)/incoming resources before transfers	(32,716)	(1,264,426)	(90)	(1,297,232)	(37,674)	45,430	(196)	7,560
Gross transfers between funds	24	2,006	-	-	(584)	584	-	-
Net movement in funds		(34,722)	(90)	(1,297,232)	(38,258)	46,014	(196)	7,560
Fund balances at 1 September 2022		669,577	1,488	780,157	707,835	63,078	1,684	772,597
Fund balances at 31 August 2023		634,855	1,398	(517,075)	669,577	109,092	1,488	780,157

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

EMMANUEL CHURCH, EASTBOURNE

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Property, plant and equipment	16		4,936		1,000
Investments	17		1,398		1,488
			<u>6,334</u>		<u>2,488</u>
Current assets					
Trade and other receivables	18	21,144		315,851	
Cash at bank and in hand	19	188,369		481,547	
		<u>209,513</u>		<u>797,398</u>	
Current liabilities	21	(732,922)		(19,729)	
Net current (liabilities)/assets			<u>(523,409)</u>		<u>777,669</u>
Total assets less current liabilities			<u>(517,075)</u>		<u>780,157</u>
Capital funds					
Endowment funds - general	23		1,398		1,488
Income funds					
Restricted funds	24		(1,153,328)		109,092
Unrestricted funds			634,855		669,577
			<u>(517,075)</u>		<u>780,157</u>

The financial statements were approved by the Trustees on 28 March 2024

Rev P Tabraham (ex-officio)
Chairman of Trustees

A Reid
Treasurer

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

Emmanuel Church, Eastbourne is a charitable Local Ecumenical Partnership (LEP) trust governed by its Constitution adopted 7 January 2018.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Church's Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Church is a Public Benefit Entity as defined by FRS 102.

The Church has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Church. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Based on the information provided in Note 27-28 at the time of approving the financial statements, the Trustees have a reasonable expectation that the Church has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Church.

1.4 Income

Income is recognised when the Church is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Church has been notified of the donation, unless performance conditions require deferral of the amount.

Tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. It is the policy that these sums are credited to the General fund then disbursed accordingly.

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies (Continued)

Legacies are recognised on receipt or otherwise if the Church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Liabilities are recognised when a constructive obligation exists, the payment is probable and the obligation can be measured or estimated reliably.

Resources expended are allocated to the particular cost centre to which they relate and include irrecoverable VAT.

1.6 Property, plant and equipment

Property, fixtures and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Fixtures and equipment	20% on a straight line basis
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Properties

Emmanuel Church are responsible for fundraising and construction of the new Church building at Upperton Road, Eastbourne, although beneficial ownership will rest with The United Reformed Church (Southern Synod). The beneficial ownership of the Greenfield Road Methodist Church site is held by Central Sussex United Area.

Emmanuel Church are responsible for the running of the United Reformed Manse in Kings Avenue. The manse running costs of the Methodist Property in Decoy Drive are the responsibility of the Central Sussex United Area. Beneficial ownership of both properties is either with The United Reformed Church Southern Synod Trust or Trustees for Methodist Church Purposes (TMCP), administered via the Methodist Central Sussex United Area.

1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of non-current assets

At each reporting end date, the Church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies (Continued)

1.10 Financial instruments

The Church has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Church's balance sheet when the Church becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Church's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Church is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Taxation

In the opinion of the Trustees the charity's incoming resources are not subject to Corporation Tax.

2 Critical accounting estimates and judgements

In the application of the Church's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

3 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	121,396	221,701	343,097	99,807	1,770,406	1,870,213
Donations and gifts						
Transfers from the four Churches	2,920	-	2,920	-	-	-
Church offerings and gifts	82,814	114,630	197,444	64,250	117,581	181,831
Gift aid recoverable	30,062	2,071	32,133	35,557	-	35,557
Legacies	-	3,000	3,000	-	10,796	10,796
Grants	5,600	102,000	107,600	-	1,637,549	1,637,549
Benevolent fund gifts	-	-	-	-	2,665	2,665
Jenny Wren gifts	-	-	-	-	1,815	1,815
	121,396	221,701	343,097	99,807	1,770,406	1,870,213

4 Income from charitable activities

	Restricted funds 2023 £	Restricted funds 2022 £
Charitable Activities		
Little Wrens play group	-	-
Jenny Wren Nursery School (Fees)	43,899	44,888

5 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Letting and licensing arrangements	2,844	4,821

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

6 Income from investments

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Interest receivable	1,957	101	2,058	529	-	529

7 Other income

	Restricted funds 2023 £	Restricted funds 2022 £
Sundry product sales and event income	-	2,213

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

8 Expenditure on charitable activities

	Charitable Activities	Charitable Activities
	2023	2022
	£	£
Direct costs		
Staff costs	56,741	41,016
Depreciation and impairment	2,234	1,000
Little Wrens other costs	3,395	2,766
Jenny Wren other costs	4,523	4,289
Cleaning	3,760	4,395
Manse and ministry costs	6,653	4,331
Building repairs and maintenance	1,989	1,579
Utility costs	10,783	6,827
Worship costs	957	1,101
Assessments Methodist Church	98,389	89,447
Assessments United Reformed Church	16,392	18,274
Utilities and insurance costs	3,183	2,694
Small equipment and maintenance	1,861	974
Loan interest payable	2,779	-
Sundries	461	405
	<u>214,100</u>	<u>179,098</u>
Grant funding of activities (see note 9)	5,982	3,545
Share of support and governance costs (see note 10)		
Support	1,227	1,288
Governance	4,549	7,871
	<u>225,858</u>	<u>191,802</u>
Analysis by fund		
Unrestricted funds	158,913	142,831
Restricted funds	66,945	48,971
	<u>225,858</u>	<u>191,802</u>

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

9 Grants payable

	Charitable Activities 2023 £	Charitable Activities 2022 £
Grants to institutions: Other	5,681	3,165
Grants to individuals	301	380
	<u>5,982</u>	<u>3,545</u>

10 Support costs allocated to activities

	2023 £	2022 £
Administration	1,227	1,288
Governance costs	4,549	7,871
	<u>5,776</u>	<u>9,159</u>
Analysed between:		
Charitable Activities	<u>5,776</u>	<u>9,159</u>

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Church during the year.

The ministers (who are ex-officio Trustees) Rev Paul Tabraham and Rev Memona Shahbaz receive a stipend directly from the Methodist Church / United Reformed Church.

Donations from the Trustees and their related parties amounted to £112,313 (2022: £39,288). This figure includes the separately identifiable donations and excludes amounts given as part of offerings, where the individuals concerned cannot be separately identified.

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Little Wrens playgroup supervisor	1	1
Jenny Wren Nursery School staff	4	4
Total	<u>5</u>	<u>5</u>

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

12 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	56,126	40,494
Other pension costs	615	522
	<u>56,741</u>	<u>41,016</u>

Consultancy fees paid to the Little Wrens playgroup supervisor are included in Little Wrens other costs in Note 8 - Charitable activities.

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	<u>-</u>	<u>-</u>

The key management personnel of the charity would be the Ministry staff, who are paid by the overseeing bodies for the Methodist and United Reformed Churches - see note 11.

13 Other costs for the Emmanuel Church new building project

	Restricted funds 2023 £	Restricted funds 2022 £
New building - construction works	1,357,577	1,620,224
New building - professional fees	105,605	102,882
	<u>1,463,182</u>	<u>1,723,106</u>

14 Gains and losses on investments

	Endowment funds 2023 £	Endowment funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	(90)	(196)

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

16 Property, plant and equipment

	Fixtures and equipment £
Cost	
At 1 September 2022	5,000
Additions	6,170
	<hr/>
At 31 August 2023	11,170
	<hr/>
Depreciation and impairment	
At 1 September 2022	4,000
Depreciation charged in the year	2,234
	<hr/>
At 31 August 2023	6,234
	<hr/>
Carrying amount	
At 31 August 2023	4,936
	<hr/>
At 31 August 2022	1,000
	<hr/>

17 Fixed asset investments

	Trust Permanent Endowment £
Cost or valuation	
At 1 September 2022	1,488
Valuation changes	(90)
	<hr/>
At 31 August 2023	1,398
	<hr/>
Carrying amount	
At 31 August 2023	1,398
	<hr/>
At 31 August 2022	1,488
	<hr/>

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Trade and other receivables

	2023 £	2022 £
Amounts falling due within one year:		
Trade receivables	332	277
Other receivables	20,812	315,574
	<u>21,144</u>	<u>315,851</u>

19 Cash at bank

	2023 £	2022 £
Charities Aid Foundation Bank	152,682	385,309
Central Finance Board of the Methodist Church	27,093	74,286
Trustees Methodist Church Purposes	10	10
Jenny Wren HSBC	8,584	21,942
	<u>188,369</u>	<u>481,547</u>

20 Borrowings

	2023 £	2022 £
Loan from Methodist Chapel Aid	252,779	-
Loan from Southern Province of the United Reformed Church	300,000	-
	<u>552,779</u>	<u>-</u>
Payable within one year	<u>552,779</u>	<u>-</u>

The loan from Methodist Chapel Aid is secured on the Greenfield Road property, an asset of the Trustees for Methodist Chapel Purposes (TMCP). Interest is being charged on the outstanding balance.

The terms of the loan from the Southern Province of the United Reformed Church are currently unclear, and are subject to negotiation.

Further loans were received after 31 August 2023 - see note 23.

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

21 Current liabilities

	Notes	2023 £	2022 £
Loans	20	552,779	-
Other taxation and social security		729	745
Other payables		174,974	11,424
Accruals and deferred income		4,440	7,560
		<u>732,922</u>	<u>19,729</u>

22 Retirement benefit schemes

Defined contribution schemes

The Church operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Church in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £615 (2022 - £522).

23 Endowment funds

Endowment funds represent assets which must be held permanently by the Church. Income arising on the endowment funds can be used in accordance with the objects of the Church and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 September 2022 £	Gains and losses £	At 31 August 2023 £
Permanent endowments	1,488	(90)	1,398
	<u>1,488</u>	<u>(90)</u>	<u>1,398</u>
Previous year:	At 1 September 2021 £	Gains and losses £	At 31 August 2022 £
Permanent endowments	1,684	(196)	1,488
	<u>1,684</u>	<u>(196)</u>	<u>1,488</u>

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

24 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
Jenny Wren	17,817	48,572	(61,264)	-	5,125
New Building	91,275	213,304	(1,463,181)	-	(1,158,602)
Benevolent and Appeals Fund	-	3,825	(5,682)	2,006	149
	<u>109,092</u>	<u>265,701</u>	<u>(1,530,127)</u>	<u>2,006</u>	<u>(1,153,328)</u>
Previous year:	At 1 September 2021	Incoming resources	Resources expended	Transfers	At 31 August 2022
	£	£	£	£	£
Jenny Wren	16,420	46,702	(45,305)	-	17,817
New Building	46,241	1,768,140	(1,723,106)	-	91,275
Benevolent and Appeals Fund	417	2,665	(3,666)	584	-
	<u>63,078</u>	<u>1,817,507</u>	<u>(1,772,077)</u>	<u>584</u>	<u>109,092</u>

Notes

1. The Jenny Wren fund is a Nursery School not registered as a charity but owned and ultimately governed by Emmanuel Church (formerly Greenfield Methodist Church). Separate accounting records are maintained by the fund and separate financial statements prepared which are consolidated into this report. The separate restricted funds of Jenny Wren are shown as creditors due to the immaterial figures involved.

2. The New Building fund originally represented monies from the original 4 churches together with further grants and donations received towards the new building project. The now overdrawn fund will be covered by transfers from the General Fund out of monies generated by the circumstances set out in Notes 27-28.

3. The Benevolent and Appeals Fund represents gifts given for specific projects and then distributed by the church.

4. A transfer was made from general funds into the Appeals fund to cover the deficit this year.

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

25 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2023 £
General funds	669,577	126,197	(158,913)	(2,006)	634,855
Previous year:	At 1 September 2021 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2022 £
General funds	707,835	105,157	(142,831)	(584)	669,577

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2023**

26 Analysis of net assets between funds

Fund balances are represented by:

	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Property, plant and equipment	4,936	-	-	4,936	1,000	-	1,000
Investments	-	-	1,398	1,398	-	1,488	1,488
Current assets/(liabilities)	629,919	(1,153,328)	-	(523,409)	668,577	109,092	777,669
	<u>634,855</u>	<u>(1,153,328)</u>	<u>1,398</u>	<u>(517,075)</u>	<u>669,577</u>	<u>109,092</u>	<u>780,157</u>

EMMANUEL CHURCH, EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

27 Events after the reporting date

Further loans have been received after the reporting date, as follows:

The United Reformed Church (Southern Synod) Trust Ltd	£100,000
Methodist Chapel Aid	£78,500

Contracts have been exchanged for the sale of the Greenfield Road Church site on behalf of the Trustees for Methodist Church Purposes. The net proceeds of approximately £175,000 (after the repayment of £328,500 (including interest) to Methodist Chapel Aid) were received in Spring 2024.

28 Financial commitments, guarantees and contingent liabilities

The Church is committed to the fundraising and oversight of the construction of the new place of Worship on the site of the old Upperton United Reformed Church. The contract and ownership of the building is in the name of the United Reformed Church (Southern Synod) Trust Ltd.

The latest valuation certificate from the contractors detail sums of £127,856 and £26,409 released to be paid by the Church. In addition, there is a retention not yet released of £93,188 due.

The Church have a counter claim for damages against the contractor for late completion of the contract in the sum of £350,000 which is not yet fully agreed.

29 Related party transactions

A substantial number of the Trustees were officers of the four Churches referenced in the review of activities and connected to the incoming transfer of fund in the last two years.

There were no disclosable related party transactions during the year.