

Trustees' Annual Report 2023

Introduction

2023 continued to be a year of transition and rebuilding for Malvern Evangelical Church (MEC). As a congregation we have been involved in serving in various ministries within the church and in the community, propelled by God's grace and a large and dedicated team of volunteers.

Although this report provides a summary of what we achieved at MEC in 2023, it can never fully capture all that has been done by those who have faithfully and sacrificially served through the year. The leadership is grateful to a good God and a faithful congregation who have prayed and laboured to see lives transformed by God's love.

The Congregation

As in any period of transition, MEC has experienced changing numbers of regular attenders and registered members. We have had familiar faces leave for various reasons and we have had shared the grief of those in our fellowship who have faced the loss of loved ones. But we have also enjoyed the privilege of seeing God bring new faces into the church. In all this, we are grateful to God for the family at MEC.

Members

MEC maintains a list of registered members who are eligible to vote on church business, and whose attendance at church meetings contributes towards attaining a quorum. At the start of 2023, MEC had 61 registered members. We finished the year with 67 registered members. MEC is comprised of a larger congregation made up of members and non-members, who participate in the life of the church, serve in various ministries and are an integral part of the MEC family. We thank God for all of those who call MEC their home church.

Volunteers

MEC as a church has always relied on and encouraged members of the congregation to actively participate in the ministries that God has entrusted to us. In 2023 this was very evident, as many in the congregation stepped up to serve and take responsibility in different ways. This included, participating and leading in different aspects Sunday services, volunteering in mid-week groups and, most importantly, providing pastoral support to others in the fellowship. Much of what the church accomplishes is only possibly because of the dedicated service of all our volunteers. Thank you to all the volunteers who faithfully serve at MEC.

Governance

Advisor

Following the resignation of the minister in 2022, Revd. Geoffrey Richardson (Geoff) was appointed as an interregnum advisor to the church and continued in this role through 2023. The appointment of Geoff Richardson was a great blessing to MEC. We are convinced that God provided the church with the right person to counsel and support the church through our period of transition.

In his role as an advisor, Geoff was asked to oversee the process of recruiting the next minister, to provide advice to the leadership, and to help with pastoral support through the interregnum period.

Having exceeded all that was asked of him, Geoff stepped down from his role at the end of the year. It was with mixed feelings that we said goodbye to Geoff. The sadness at losing his advice and support was tempered with the knowledge that we would continue to enjoy his friendship and support for MEC, as we looked forward with anticipation to a new period of growth with a minister in place in 2024.

We are grateful to God for Geoff Richardson, for all he has done in service to MEC in his advisory role, and for the love, friendship and continuing support that Geoff and his wife Helen have shown to MEC.

Trustees

The trustees at MEC are charged with statutory oversight, and responsibility for the operation of the church as a charity. In 2023 MEC maintained the minimum required number of 3 trustees, with David Ransom, Steve Atkins and John Jacob continuing to serve in this capacity.

At the AGM in May 2023, the church constitution was amended through a members' vote to extend eligibility for trusteeship. The previous requirement that the role of a trustee was limited to elders was amended to include deacons. Following these changes, at the church meeting in October 2023, George Chakko-George (Greg), the church treasurer and a serving deacon, was elected to serve as a charity trustee. MEC ended 2023 with 4 serving trustees.

Elders

The minister or pastor along with the elders at MEC bear the primary responsibility for the spiritual direction and decision making at MEC. In 2023, the 5 serving elders were David Ransom, Colin Smith, Steve Atkins, George Webb and John Jacob. In the absence of a minister, Geoff Richardson, in his role as an advisor to the leadership, worked closely with the elders, regularly attending elders' meetings, facilitating discussions and providing advice.

Deacons

The deacons' role at MEC is to oversee and facilitate practical aspects of the operation of the church to enable MEC to fulfil its mission and vision. In 2023 MEC had 3 deacons serving in the role. Matt Greenhalgh, Colin Cameron and Greg Chakko-George. Among other things, the deacons have been responsible for maintenance of the facilities and buildings, including care for the property at 210 Pickersleigh Road. The deacons have also overseen management of the church's finances and other administrative tasks.

Minister (Pastor) Search

On his appointment as an advisor to MEC, Geoff Richardson was charged primarily with overseeing the process of recruiting the next pastor at MEC. Geoff faithfully executed this charge, setting up a Pastor Search Committee consisting of the elders along with 3 other members of the congregation, Greg Chakko-George, Pauline Jacob and Sarah Wilks. After much discussion a job description was agreed by the committee, and in early 2023 advertisements were placed for the role through Christian channels, both online and in print. After prayerfully reviewing over 40 applications, following several weeks of discussions and interviewing short-listed candidates, the committee proposed inviting Revd. Roy Bournier as the pastor at MEC. This was approved by a members' vote.

The church is very grateful to God for answers to prayer, and grateful to Roy and Jitka Bournier for accepting the invitation to serve. At the end of 2023, having accomplished its task, the committee

was disbanded. MEC ended the year looking forward to the Bournier family relocating to Malvern and to Roy taking on the role as the pastor on January 1, 2024

Activities and Ministries

A flavour of what MEC has been involved in 2023 is best represented by highlighting some of the activities that have taken place through the year. It should be noted that much more will have been accomplished throughout the year than is listed here.

Many of the activities and ministries at MEC are only made easier and often only made possible by the work of those behind the scenes, such as the Admin and Hospitality teams. There is always the risk when summarising that some things get left out. Any omissions should not be interpreted as less important or less impactful. We would like to honour all the seen and unseen ministries at MEC.

Sunday Services

Throughout 2023 MEC continued to host two regular Sunday services. The pattern of our services includes a contemporary morning service including sung worship, communal prayer and a sermon, as well as an evening service focused on praying for needs within the church and the community. Following both services, attendees could stay for refreshments and spend time catching up with members of the congregation and visitors. Both morning and evening services include sharing of communion once a month, and part way through the morning services, separate provision is available for families with younger children as well as for young people aged 11-14. The morning service on the first Sunday of each month is a shorter "All-Together" service, allowing for attendees of all ages to worship together. Our gifted team of musicians supported by volunteers who manage the technology, have made it possible for us to enjoy Sunday worship together and to livestream the services for those who are not able to join us in person.

In addition to regular services, special occasions and seasons were also celebrated throughout the year. This included Easter services, Harvest, Advent and Christmas, as we remembered the birth, death and resurrection of Jesus, as well as God's material provision.

In 2023 we were privileged to host a baptism service where 5 members of the congregation were baptised in witness of their faith in Jesus.

Children and Youth Activities

MEC has had many volunteers dedicated to catering for the welfare of children and young people. In 2023, regular Sunday provision was available to families with younger children, including age-appropriate teaching and activities to engage younger members of the church family. A similar Sunday morning provision was available for young people in school years 7-10.

There were also regular mid-week youth group sessions involving teaching, food, activities and fun. A highlight of the year was Gaines 2023, the summer residential held at the Gaines Activity Centre. MEC's talented group of youth and young adults, including returning university students, participated in a 4-day residential with fun, food, worship and teaching organised by our Youth Ministry leaders. Many of our gifted young people took part in organising activities, leading sessions, teaching, cooking and washing up.

MEC is blessed to have a wonderful group of children and young people as part of our church family, and we are grateful to God for them and for the leaders who support them.

Small Groups

Much of the fellowship, Bible study, encouragement and support within the congregation at MEC happens in small group settings. In 2023 there were 8 midweek small groups, running in homes, at a

café, or in the church building on a regular basis. The groups are very diverse in composition and format, but similar in their desire to learn together and to love and support others in the group. We are grateful to those who have served as leaders and to all who attend these groups. We encourage those who are not involved in a group to give it a try.

Weeks of Prayer

As a church we feel our need for God's guidance and leadership to implement His mission for our church. Prayer is a vital and regular part of our practice as a church. However, from time to time we also recognise the need for more intense and dedicated times of prayer. This was particularly felt during the interregnum, and on two separate occasions in 2023, the elders felt the need to call for weeks of prayer. These were special occasions where the whole church was invited to spend time individually and collectively praying for our church, our community and for the appointment of the new minister.

Community Focus

MEC has been involved in serving the local community in different ways in 2023, including the use of the building as a polling station for local elections. Some of the areas where MEC has been active in 2023 are highlighted below.

At the end of 2022, in response to the increases in the cost of living, MEC opened its doors once a week as a **Warm Space**, a place where anybody could drop in for a free drink and food, for support conversation, access to the internet and to keep warm. The Warm Space continued through 2023, expanding to include a clothes bank.

The **Rainbow Club** team has been running the toddler group for many years, and 2023 was no different. Rainbow Club is a warm, welcoming environment for children, parents, grandparents and carers, and the team continue to receive more requests for places in the group than they can cater for.

The **Coffee and Chat** team continued to host a weekly afternoon session for older members of the community to meet, talk or knit over refreshments. The afternoon ends with a short epilogue and prayer.

For a few years MEC has supported the **Teams4U** initiative, packing and wrapping Christmas shoeboxes with presents for children from disadvantaged backgrounds in different places in Eastern Europe. In 2023 a total of 65 boxes were sent from MEC to the Teams4U warehouse filled with presents from the MEC congregation and local businesses.

The MEC **Art Group** provides an opportunity for people within the local community, who have an interest in art to meet together and discuss art related subjects or to practise their art related interests.

Christmas celebrations at MEC in 2023 included several events with invitations to the public to come and hear of the good news of Christ's birth. In addition to Advent and Christmas services, MEC also hosted Christingle and Carol services as well as a "Pantivity", a Christmas pantomime performed by 4Front Theatre.

These are some of the more visible activities that MEC has been involved with in 2023, and we are grateful to God and to the community for the opportunity to serve.

Support for Missions

In 2023 we provided both financial and prayer support to each of the five missions that we currently have links with. Their own ministries are very distinct from one another. One of our Small Groups was a focal point for receiving information from the supported missions to determine the best means of support and encouragement, as well as the focus for our prayers - disseminating the information to the wider MEC family. The missions we supported in 2023 operate in Tasmania, the Sahel region of North Africa, Zambia, The Netherlands and India.

In 2023 MEC continued to provide support for several local organisations including Churches Together in Malvern, The Lyttleton Well, the Malvern Hills FoodBank and Christians Against Poverty.

Finance

The treasury team at MEC has continued to administer the church's finances faithfully through 2023. Through those who have diligently and generously given to God's work at MEC, as shown in the attached accounts and comments from the treasurer and the independent examiner, MEC remains in a financially stable position. More details are available in the submitted reports and accounts.

Proposed Sale of the Manse

The building adjacent to the church at 210 Pickersleigh Road (The Manse) is owned by the church and served as residence for the previous minister and his family. Following the resignation of the previous minister the deacons have been responsible for the upkeep of the building while a decision was made on what to do with the property. After discussion with the deacons and elders, the trustees decided to sell the manse in order to improve the churches financial position and fund other areas of ministry and service. The deacons took responsibility for managing the process and the property was listed for sale in 2023.

Safeguarding

Keeping children and vulnerable people safe continues to be an integral part of our Christian faith. The Safeguarding team has continued to raise awareness to remind everyone of their responsibility to take care of speaking out for those in our care.

In February 2023 Sarah Wilks, MEC's Designated Safeguarding Lead (DSL), arranged a safeguarding training event led by Christian Safeguarding Services for those at MEC who work with children and vulnerable adults. A Safeguarding Sunday service was held in February 2023 to raise awareness of everyone's safeguarding responsibilities. As part of our safer recruitment guidelines, DBS checks were conducted on all volunteers involved in serving in these areas of ministry. In 2023 there were no reportable safeguarding incidents raised with the DSL.

Concluding Remarks

As we looked back over 2023, although there have been challenges along the way some of a personal nature and some that we've had to face together, we can truly say that God has been faithful.

Thank you to all at MEC. It was a privilege to worship and serve together in 2023!

Charity Registration No. 1178558

Company Registration No. CEO14236 (England and Wales)

MALVERN EVANGELICAL CHURCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

MALVERN EVANGELICAL CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees David Ransom
Steve Atkins
John Jacob
George Chakko-George (Appointed 25/10/2023)

Elders David Ransom
Steve Atkins
John Jacob
Geoff Richardson
George Webb
Colin Smith

Deacons George Chakko-George (Treasurer)
Matt Greenhalgh
Colin Cameron

Charity number 1178558

Principal address 204 - 208 Pickersleigh Road
Malvern
Worcestershire
WR14 2QX

Accountants Kendall Wadley LLP
Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Bankers HSBC Bank plc
1 Church Street
Malvern
Worcestershire
WR14 2AB

MALVERN EVANGELICAL CHURCH

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MALVERN EVANGELICAL CHURCH

DEACONS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Deacons present their report and accounts for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the church's Rules and 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

Summary of the objects of the charity are set out in its governing document:

The purposes of the church shall be:

1. The advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Malvern; and
2. Such other charitable purposes as shall, in the opinion of the Elders further the work of the Church.

Public Benefit

The main public benefit that the charity provides is the advancement of the Christian Faith within the Malvern area, which is the primary objective of the charity. Anyone is welcome to worship at the church and any private benefits received by the Deacons is considered to be incidental to the work of the church. The charity also supports the relief of poverty by way of donations to people in need and people directly working to relieve people in poverty.

Statutory declaration

The Trustees consider the activities of MEC (with regard to the guidance issued by the Charity Commission on public benefit) to be of real value, not just to the immediate neighbourhood but much further afield and to all age groups.

Giving to Mission

MEC allocates 10% of its income to support missions both in the UK and overseas, this budget is reviewed annually.

Contribution made by volunteers

MEC is run by volunteers giving freely of their time and effort, we see this as part of our worship and service to God.

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

The church provides a place of worship for its members. The church is responsible for maintaining its fabric and environs, for organising and arranging religious services, supporting its Pastor and staff and providing pastoral care. Making donations to charitable organisations is an expression of its wider responsibilities.

The grant making policy is established by the church which certifies and makes grants to charitable organisations demonstrating similar objectives and outreach as the church. Grants allocated during the year are shown within the accounts.

MALVERN EVANGELICAL CHURCH

DEACONS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

In the opinion of the Deacons, the church has achieved its stated objectives and activities within the year.

MEC launched an initiative to start planning to Extend The Tent by re-building our existing building. For this initiative, the Treasury team introduced an Accommodation Fund. Building was completed in Spring 2016. This project was detailed in previous accounts.

Financial review

The surplus for the year amounted to £18,948 (2022 £20,133). The unrestricted fund reserves at the year end were £123,799 (2022:£104,791). At the year end the restricted fund reserves were £2,439 (2022 £7,191). Designated funds at the year end amounted to £634,209 (2022: £638,900), these funds represent those utilised in the new church building which will be eroded by depreciation over time. The funds are adequate and available to fulfil the obligations of the organisation.

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 between three and six month's expenditure. The Trustees consider 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. This level of reserves has been maintained throughout the year.

Risk assessment

The Deacons have 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 was established by a charitable trust deed on 13 May 1975, as revised in the church constitution in 2001. On 9 September 2009 the trust deed was updated and replaced by a new constitution. The church registered with the Charity Commission on 4 December 2009. It registered as a CIO on 30th May 2018, the assets and liabilities of the original charity (number 1133125) were transferred to the CIO on 1 January 2019.

The Trustees and Deacons who are currently serving are as shown on the legal and administrative details page.

Trustee selection

Only currently serving Deacons and Elders may be Managing Trustees, however, not all Elders are required to be Trustees.

The Elders will decide who from their number should be Trustees. The church will ratify this at a Church Business Meeting by secret ballot and requires a majority of those present and voting.

MALVERN EVANGELICAL CHURCH

DEACONS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Elders shall add to their number from time to time, as shall be seen good to them, from amongst the numbers of the church, aiming to reach unanimity in their decision. Any such intention shall be indicated to the members giving notice on the two Lord's days prior to a church meeting, and prayerful comment and unity sought from the members in the recognition of the new Elder. The final responsibility for the appointment of an Elder shall, however, rest with the existing Elders. When appointed a new Elder shall be separated to the work by the existing Elders at a service on the next convenient Lord's Day. The New Testament makes a distinction between those Elders who only direct the affairs of the church and those whose work is preaching and teaching. There is no suggestion that the number of teaching Elders in a given local church is limited. Should any Elder cease to meet the qualifications for this office that Elder will be required to relinquish it by the remaining Elders. Any Elder wishing to terminate their position as an Elder shall inform the rest of the Eldership, giving as much notice as possible according to the prevailing circumstances and providing reasons for their decision where possible.

The Pastor shall be a Teaching Elder whose aptitude to receive final responsibility for the pastoral oversight of the church and the ministry of the word has been recognised by the Elders, supported by the membership. To him particularly, the Gospel is committed as a solemn charge. He is to preach the Word, be prepared in season and out of season, correct, rebuke, and encourage with great patience and careful instruction. That he might fully perform this work he is normally to be maintained wholly by the church he serves. The Pastor's authority over and above that of other Elders stems from the charge committed to him by God. Thus he has from God the right and duty to encourage and rebuke with all authority, letting no one despise him. He is nevertheless to do these things with great patience as befits a shepherd of the flock and with careful teaching (i.e. basing his exhortations on the pure Word of God), seeking only the glory of the Triune God. As the senior Teaching Elder the Pastor has the right to preside over all organisations connected with the church. The Pastor shall be in full accord with the Statement of Doctrine and the Rules of Practice. The Nomination of the Pastor shall be made by the Elders, giving due consideration to the mind of the church and the invitation to the Pastorate shall be by a supporting vote of three quarters of the church membership present and voting, though complete unanimity shall be sought. The vote shall be taken at a church meeting specially convened for this purpose. The Pastor shall give the church at least three months notice of his desire to terminate his ministry in the church. The church on the other hand shall give the Pastor at least six months notice to their desire to terminate his ministry in the church.

The word Deacon literally means servant and is so translated many times in Scripture. It is also used however to denote an office in the church. The function of the Deacons is to relieve the Elders of those necessary duties in the life and conduct of the church that are temporal rather than spiritual in nature. In these duties they shall be responsible to the Elders. The Deacons may be men or women and shall be members of the church who are "known to be full of the spirit and wisdom" (Act 6 vs 3). The number of Deacons shall be appropriate to the current needs of the church as determined by the Elders. Deacons shall normally be appointed at the Annual General Meeting of the church, but occasionally it may be necessary to appoint extra Deacons at a normal church meeting. When it is recognised by the Elders that the appointment of further Deacons is necessary, members will be invited to make nominations from the church membership to the Pastor, or an Elder if there is no Pastor, at least fourteen days before the meeting. The pastor, or Elder, shall obtain the consent of the nominee before that person can be put forward for election. At the meeting the nomination must then be seconded and receive at least a two thirds majority vote of the members present and voting before the appointment can be confirmed by the Elders. A Deacon shall retire after a three year tenure of office but is eligible for re-election. If a Deacon was appointed at a mid-point between Annual General Meetings, their time of service shall be from the AGM following their appointment. If the Elders are of the opinion that a Deacon shall relinquish the office before the end of their term they shall inform the Deacon and the church of the termination of their appointment.

Persons seeking membership shall arrange, after reading a copy of the Church Constitution, to be visited by at least two Elders or other members nominated by the Elders to gain satisfaction of their new birth, Christian character and consistent life, record their intention to abide by the Rules of Practice of the Constitution and their wholehearted assent to the church's Statement of Doctrine. Membership is then confirmed by a vote by the Elders and acceptance is acknowledged at the next convenient Lord's Table or at a Lord's Day service.

Induction of trustees

On induction a Trustee receives a copy of the Church rules 14/02/2018 version 3, the Constitution, latest annual financial statements and Guidance on the Role of a Trustee as issued by the Charity Commission.

MALVERN EVANGELICAL CHURCH

DEACONS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are responsible for setting remuneration for those staff paid by the church.

Policies

Policies are adopted by the Church to ensure compliance with Child Protection and Environmental Issues.

Future plans

Plans for the coming year include those of increasing the numbers of the Deaconate.

The Deacons' report was approved by the Deacons.



George Chakko-George

Deacon

Dated: 22 May 2024

MALVERN EVANGELICAL CHURCH

INDEPENDENT EXAMINER'S REPORT

TO THE DEACONS OF MALVERN EVANGELICAL CHURCH

I report to the Deacons on my examination of the financial statements of Malvern Evangelical Church (the church) for the year ended 31 December 2023.

Responsibilities and basis of report

As the Deacons 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

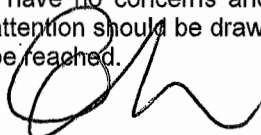
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting 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.



Elizabeth Needham ACA CTA (VAT)
Kendall Wadley LLP

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Dated: 22 May 2024

MALVERN EVANGELICAL CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income from:						
Donations and legacies	3	103,746	4,691	11,538	119,975	122,481
Other activities	4	842	-	-	842	405
Investments	5	706	-	-	706	51
Total income		105,294	4,691	11,538	121,523	122,937
Expenditure on:						
Charitable activities	6	75,934	-	26,641	102,575	102,804
Net incoming/(outgoing) resources before transfers		29,360	4,691	(15,103)	18,948	20,133
Gross transfers between funds	12	(10,352)	-	10,352	-	-
Net income/(expenditure) for the year/ Net movement in funds		19,008	4,691	(4,751)	18,948	20,133
Fund balances at 1 January 2023		104,791	634,209	7,191	746,191	726,058
Fund balances at 31 December 2023		123,799	638,900	2,439	765,138	746,191

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

MALVERN EVANGELICAL CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year - combined

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
Income from:					
Donations and legacies	3	103,244	5,110	14,127	122,481
Other activities	4	405	-	-	405
Investments	5	51	-	-	51
Total income		<u>103,700</u>	<u>5,110</u>	<u>14,127</u>	<u>122,937</u>
Expenditure on:					
Charitable activities	6	<u>77,132</u>	<u>-</u>	<u>25,672</u>	<u>102,804</u>
Net incoming/(outgoing) resources before transfers		26,568	5,110	(11,545)	20,133
Gross transfers between funds	12	<u>(13,322)</u>	<u>-</u>	<u>13,322</u>	<u>-</u>
Net income/(expenditure) for the year/ Net movement in funds		13,246	5,110	1,777	20,133
Fund balances at 1 January 2022		<u>91,545</u>	<u>629,099</u>	<u>5,414</u>	<u>726,058</u>
Fund balances at 31 December 2022		<u><u>104,791</u></u>	<u><u>634,209</u></u>	<u><u>7,191</u></u>	<u><u>746,191</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

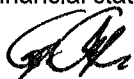
MALVERN EVANGELICAL CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022 Combined	
		£	£	£	£
Fixed assets					
Tangible assets	13		912,388		930,525
Current assets					
Debtors	14	2,331		10,554	
Cash at bank and in hand		52,633		35,233	
		54,964		45,787	
Creditors: amounts falling due within one year	15	(31,192)		(29,925)	
Net current assets			23,772		15,862
Total assets less current liabilities			936,160		946,387
Creditors: amounts falling due after more than one year	16		(171,024)		(200,196)
Net assets			765,136		746,191
Income funds					
Restricted funds	18		2,439		7,191
<u>Unrestricted funds</u>					
Designated funds	19	638,900		634,209	
General unrestricted funds		123,797		104,791	
			762,697		739,000
			765,136		746,191

The financial statements were approved by the Deacons on 22 May 2024



George Chakko-George

Treasurer

MALVERN EVANGELICAL CHURCH

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

1 Accounting policies

Entity information

Malvern Evangelical Church is a Charitable Incorporated Organisation registered with the Charity Commission in May 2018. The principal address is 204 - 208 Pickersleigh Road, Malvern, Worcestershire, WR14 2QX.

Basis of preparation

Malvern Evangelical Church was a registered charity 113125, a new Charitable Incorporated Organisation was established and is registered with the Charity Commission under number 1178558. All the assets and liabilities of the former charity were transferred to the new organisation on 1 January 2019. These financial statements are prepared in accordance with section 27 of the Statement of Recommended Practice, merger accounting. The assets, liabilities and funds of the two entities have been aggregated, the results for the year show the combined position for the whole accounting period and the comparatives relate to the old charity 1133125 now removed from the Register.

1.1 Accounting convention

The accounts have been prepared in accordance with the church's Rules and 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

At the time of approving the financial statements, the Deacons have a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future. Thus the Deacons 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 Deacons in furtherance of their charitable objectives.

All income received for a specific purpose, and expenditure relating to such purposes, is assigned to the relevant restricted fund.

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

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.4 Incoming resources

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. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

All other income is recognised when it is received.

1.5 Resources expended

Liabilities are recognised for the amounts that the charity anticipates it will have to pay to settle a debt or the amount that it has received in advance as payment for services it has to provide.

Expenditure on charitable activities includes the costs associated with the activities undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the programmes and activities undertaken.

The support costs are treated as core running costs of the charity.

1.6 Tangible fixed assets

Tangible fixed assets 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 bases:

Land and buildings	Buildings over 50 years
Property improvements	5 years straight line
Computer equipment	33% on net book value
Fixtures, fittings & equipment	33% on net book value and 5 years straight line

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.

1.7 Impairment of fixed 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).

MALVERN EVANGELICAL CHURCH

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

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 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.

1.9 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 debtors 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 creditors 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

MALVERN EVANGELICAL CHURCH

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

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.10 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.

2 Critical accounting estimates and judgements

In the application of the church's accounting policies, the Deacons 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 Donations and legacies

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MALVERN EVANGELICAL CHURCH

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

4 Other activities

	Unrestricted funds general 2023 £	Unrestricted funds general Combined 2022 £
Church activities and clubs	842	405

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	706	51

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Charitable activities

	Ministry and mission fund	Clubs and other activities	Total	Ministry and mission fund	Clubs and other activities	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	Combined 2022 £
Staff costs	10,450	-	10,450	27,769	-	27,769
Depreciation and impairment	18,137	-	18,137	20,441	-	20,441
Costs of running activities	-	4,175	4,175	-	2,492	2,492
	<u>28,587</u>	<u>4,175</u>	<u>32,762</u>	<u>48,210</u>	<u>2,492</u>	<u>50,702</u>
Grant funding of activities (see note 7)	26,641	-	26,641	25,672	-	25,672
Share of support costs (see note 8)	41,308	-	41,308	24,279	-	24,279
Share of governance costs (see note 8)	1,864	-	1,864	2,151	-	2,151
	<u>98,400</u>	<u>4,175</u>	<u>102,575</u>	<u>100,312</u>	<u>2,492</u>	<u>102,804</u>
Analysis by fund						
Unrestricted funds - general	71,759	4,175	75,934	74,640	2,492	77,132
Restricted funds	26,641	-	26,641	25,672	-	25,672
	<u>98,400</u>	<u>4,175</u>	<u>102,575</u>	<u>100,312</u>	<u>2,492</u>	<u>102,804</u>

7 Grants payable

	2023 £	2022 Combined £
Grants made (see restricted funds note)	26,641	25,672
	<u>26,641</u>	<u>25,672</u>

MALVERN EVANGELICAL CHURCH

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

8 Support costs

	Support costs	Governance costs	2023 Support costs	Governance costs	2022 Combined
	£	£	£	£	£
Other support expenditure see below	41,308	-	41,308	24,279	24,279
Accountancy fees	-	1,440	1,440	-	1,620
Bank charges	-	424	424	-	531
	<u>41,308</u>	<u>1,864</u>	<u>43,172</u>	<u>24,279</u>	<u>26,430</u>
Analysed between Charitable activities	<u>41,308</u>	<u>1,864</u>	<u>43,172</u>	<u>24,279</u>	<u>26,430</u>

Governance costs includes payments to the accountants as shown above for accountancy fees and other services.

Other support expenditure

	2023 £	2022 £
Building repairs and maintenance	2,197	1,465
Rates and water	3,138	1,263
Light and heat	4,477	2,744
Insurance	3,432	2,920
Postage and stationery	156	311
Telephone	443	304
Subscriptions	2,072	1,606
Sundry Expenses	-	50
Mortgage Interest	14,724	10,234
Website Costs	778	744
Cleaning	2,130	2,189
Kitchen supplies	1,140	449
	<u>41,308</u>	<u>24,279</u>

9 Deacons

None of the Deacons (or any persons connected with them) received any remuneration during the year. None of the Deacons were reimbursed travelling expenses during the year.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Combined Number
Full-time employees	1	1

Employment costs

	2023 £	2022 Combined £
Wages and salaries	10,450	23,119
Other pension costs	-	4,650
	10,450	27,769

The employees are considered to be the key management personnel. however in 2023 we operated without a paid minister.

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

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Transfers

A transfer of £10,352 was made from unrestricted to restricted funds to cover the excess of restricted fund expenditure over income.

Following the completion of the accommodation project, all restricted funds received in connection with the project were released to the designated funds. Transfers are made to match the value of freehold property and fixtures and fittings associated therewith, after due allowance for outstanding loans and creditors.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Tangible fixed assets

	Land and buildings	Property improvements	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2023 - combined	1,040,382	9,732	66,884	7,431	1,124,429
At 31 December 2023	1,040,382	9,732	66,884	7,431	1,124,429
Depreciation and impairment					
At 1 January 2023 - combined	116,292	9,732	60,972	6,908	193,904
Depreciation charged in the year	15,998	-	1,954	185	18,137
At 31 December 2023	132,290	9,732	62,926	7,093	212,041
Carrying amount					
At 31 December 2023	908,092	-	3,958	338	912,388
At 31 December 2022 - combined	924,090	-	5,912	523	930,525

14 Debtors

	2023	2022 Combined
	£	£
Amounts falling due within one year:		
Other debtors	2,331	10,554

15 Creditors: amounts falling due within one year

	Notes	2023	2022 Combined
		£	£
Bank loans	17	24,752	23,485
Other borrowings		5,000	5,000
Accruals and deferred income		1,440	1,440
		31,192	29,925

16 Creditors: amounts falling due after more than one year

	Notes	2023	2022 Combined
		£	£
Bank loans	17	161,024	185,196
Other creditors		10,000	15,000
		171,024	200,196

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Loans and overdrafts

	2023	2022
	£	Combined £
Bank loans	185,776	208,681
Other loans	15,000	20,000
	<u>200,776</u>	<u>228,681</u>
Payable within one year	29,752	28,485
Payable after one year	<u>181,024</u>	<u>210,196</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>47,532</u>	<u>46,773</u>

The long-term loan is secured by a fixed charge over the freehold property of the charity.

The mortgage was entered into to provide finance for the building of the church, it was for a period of 15 years, repayable by instalments and carries interest at variable rate.

The other loan relates to funds advanced by a member to facilitate the financing of the new church building. This advance is unsecured and interest free and repayable, provided funds allow, in equal instalments of £5,000.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2022	Movement in funds			Balance at 1 January 2023	Movement in funds			Transfers	Balance at 31 December 2023	
		Incoming resources	Resources expended	Transfers		Incoming resources	Resources expended	Transfers			
											£
					Combined						
Peter and Lydia Bennett Fund	-	7,890	(12,090)	4,200	-	6,625	(10,825)	4,200	-	-	
Arise (India)	-	16	(618)	602	-	2,066	(1,930)	470	-	606	
Donations and missions	-	-	(5,820)	5,820	-	-	(5,760)	5,760	-	-	
Kerala	470	-	-	-	470	-	-	(470)	-	-	
Benevolent Fund	2,564	1,650	(922)	-	3,290	525	(2,162)	-	-	1,653	
Malvern Food Banks	20	-	(20)	-	-	-	-	-	-	-	
Gaines 2023	2,360	2,133	(3,132)	-	1,362	2,202	(3,394)	-	-	170	
Ukraine Fund	-	2,428	(370)	-	2,058	-	(2,100)	42	-	-	
Rhameda Abdoussalame	-	10	-	-	10	-	-	-	-	10	
Frontiers Yukubu	-	-	(2,500)	2,500	-	-	-	-	-	-	
Jon Witt Dignity	-	-	(200)	200	-	-	-	-	-	-	
Youth Weekend	-	-	-	-	-	120	(150)	30	-	-	
Meeting point/ "Warm Spaces"	-	-	-	-	-	-	(320)	320	-	-	
	5,414	14,127	(25,672)	13,322	7,190	11,538	(26,641)	10,352	-	2,439	

The church has historically supported a number of people and their causes out of unrestricted funds as well as dedicated gifts. Some individual people chose to make specific gifts for these people. Therefore the restricted giving is made up of some individuals who have given to the church with a note stating that their gift is for a dedicated purpose or missionary, and also where the church has decided to set aside funds for such gifts.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Restricted funds

(Continued)

Peter & Lydia Bennett have been supported by the church since it began, originally with New Tribes Mission, but now as independent missionaries. Their work is based in Tasmania where they work mainly with family groups, the underprivileged, alcoholics and drug addicts, whilst Peter also teaches and pastors in local Baptist and Brethren churches (as required).

Donations and missions - donations and monies given to missions as described in the introduction.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2022	Movement in funds Incoming resources	Balance at 1 January 2023	Movement in funds Incoming resources	Balance at 31 December 2023
	£	£	Combined £	£	£
Freehold property	552,451	-	552,451	-	552,451
Accommodation project	76,648	5,110	81,757	4,691	86,448
	<u>629,099</u>	<u>5,110</u>	<u>634,208</u>	<u>4,691</u>	<u>638,899</u>

As the freehold properties owned by the church are not to be sold within the foreseeable future, the value of the freehold property held, net of mortgage loans and other associated creditors, is treated as a designated fund.

The accommodation fund represents money set aside by the deacons to assist with costs involved with expanding the physical buildings and facilities to accommodate the long term needs of the MEC.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20	Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total Unrestricted funds		Designated funds		Restricted funds		Total	
		2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£
	Fund balances at 31 December 2023 are represented by:														
	Tangible assets	359,936		552,452		-		912,388		378,073		552,452		930,525	
	Current assets/(liabilities)	(65,115)		86,448		2,439		23,772		(73,086)		81,757		15,862	
	Long term liabilities	(171,024)		-		-		(171,024)		(200,196)		-		(200,196)	
		123,797		638,900		2,439		765,136		104,791		634,209		746,191	

MALVERN EVANGELICAL CHURCH

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

21 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

Charity Registration No. 1178558

Company Registration No. CEO14236 (England and Wales)

MALVERN EVANGELICAL CHURCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

MALVERN EVANGELICAL CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees David Ransom
Steve Atkins
John Jacob
George Chakko-George (Appointed 25/10/2023)

Elders David Ransom
Steve Atkins
John Jacob
Geoff Richardson
George Webb
Colin Smith

Deacons George Chakko-George (Treasurer)
Matt Greenhalgh
Colin Cameron

Charity number 1178558

Principal address 204 - 208 Pickersleigh Road
Malvern
Worcestershire
WR14 2QX

Accountants Kendall Wadley LLP
Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Bankers HSBC Bank plc
1 Church Street
Malvern
Worcestershire
WR14 2AB

MALVERN EVANGELICAL CHURCH

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MALVERN EVANGELICAL CHURCH

DEACONS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Deacons present their report and accounts for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the church's Rules and 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

Summary of the objects of the charity are set out in its governing document:

The purposes of the church shall be:

1. The advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Malvern; and
2. Such other charitable purposes as shall, in the opinion of the Elders further the work of the Church.

Public Benefit

The main public benefit that the charity provides is the advancement of the Christian Faith within the Malvern area, which is the primary objective of the charity. Anyone is welcome to worship at the church and any private benefits received by the Deacons is considered to be incidental to the work of the church. The charity also supports the relief of poverty by way of donations to people in need and people directly working to relieve people in poverty.

Statutory declaration

The Trustees consider the activities of MEC (with regard to the guidance issued by the Charity Commission on public benefit) to be of real value, not just to the immediate neighbourhood but much further afield and to all age groups.

Giving to Mission

MEC allocates 10% of its income to support missions both in the UK and overseas, this budget is reviewed annually.

Contribution made by volunteers

MEC is run by volunteers giving freely of their time and effort, we see this as part of our worship and service to God.

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

The church provides a place of worship for its members. The church is responsible for maintaining its fabric and environs, for organising and arranging religious services, supporting its Pastor and staff and providing pastoral care. Making donations to charitable organisations is an expression of its wider responsibilities.

The grant making policy is established by the church which certifies and makes grants to charitable organisations demonstrating similar objectives and outreach as the church. Grants allocated during the year are shown within the accounts.

MALVERN EVANGELICAL CHURCH

DEACONS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

In the opinion of the Deacons, the church has achieved its stated objectives and activities within the year.

MEC launched an initiative to start planning to Extend The Tent by re-building our existing building. For this initiative, the Treasury team introduced an Accommodation Fund. Building was completed in Spring 2016. This project was detailed in previous accounts.

Financial review

The surplus for the year amounted to £18,948 (2022 £20,133). The unrestricted fund reserves at the year end were £123,799 (2022:£104,791). At the year end the restricted fund reserves were £2,439 (2022 £7,191). Designated funds at the year end amounted to £634,209 (2022: £638,900), these funds represent those utilised in the new church building which will be eroded by depreciation over time. The funds are adequate and available to fulfil the obligations of the organisation.

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 between three and six month's expenditure. The Trustees consider 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. This level of reserves has been maintained throughout the year.

Risk assessment

The Deacons have 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 was established by a charitable trust deed on 13 May 1975, as revised in the church constitution in 2001. On 9 September 2009 the trust deed was updated and replaced by a new constitution. The church registered with the Charity Commission on 4 December 2009. It registered as a CIO on 30th May 2018, the assets and liabilities of the original charity (number 1133125) were transferred to the CIO on 1 January 2019.

The Trustees and Deacons who are currently serving are as shown on the legal and administrative details page.

Trustee selection

Only currently serving Deacons and Elders may be Managing Trustees, however, not all Elders are required to be Trustees.

The Elders will decide who from their number should be Trustees. The church will ratify this at a Church Business Meeting by secret ballot and requires a majority of those present and voting.

MALVERN EVANGELICAL CHURCH

DEACONS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Elders shall add to their number from time to time, as shall be seen good to them, from amongst the numbers of the church, aiming to reach unanimity in their decision. Any such intention shall be indicated to the members giving notice on the two Lord's days prior to a church meeting, and prayerful comment and unity sought from the members in the recognition of the new Elder. The final responsibility for the appointment of an Elder shall, however, rest with the existing Elders. When appointed a new Elder shall be separated to the work by the existing Elders at a service on the next convenient Lord's Day. The New Testament makes a distinction between those Elders who only direct the affairs of the church and those whose work is preaching and teaching. There is no suggestion that the number of teaching Elders in a given local church is limited. Should any Elder cease to meet the qualifications for this office that Elder will be required to relinquish it by the remaining Elders. Any Elder wishing to terminate their position as an Elder shall inform the rest of the Eldership, giving as much notice as possible according to the prevailing circumstances and providing reasons for their decision where possible.

The Pastor shall be a Teaching Elder whose aptitude to receive final responsibility for the pastoral oversight of the church and the ministry of the word has been recognised by the Elders, supported by the membership. To him particularly, the Gospel is committed as a solemn charge. He is to preach the Word, be prepared in season and out of season, correct, rebuke, and encourage with great patience and careful instruction. That he might fully perform this work he is normally to be maintained wholly by the church he serves. The Pastor's authority over and above that of other Elders stems from the charge committed to him by God. Thus he has from God the right and duty to encourage and rebuke with all authority, letting no one despise him. He is nevertheless to do these things with great patience as befits a shepherd of the flock and with careful teaching (i.e. basing his exhortations on the pure Word of God), seeking only the glory of the Triune God. As the senior Teaching Elder the Pastor has the right to preside over all organisations connected with the church. The Pastor shall be in full accord with the Statement of Doctrine and the Rules of Practice. The Nomination of the Pastor shall be made by the Elders, giving due consideration to the mind of the church and the invitation to the Pastorate shall be by a supporting vote of three quarters of the church membership present and voting, though complete unanimity shall be sought. The vote shall be taken at a church meeting specially convened for this purpose. The Pastor shall give the church at least three months notice of his desire to terminate his ministry in the church. The church on the other hand shall give the Pastor at least six months notice to their desire to terminate his ministry in the church.

The word Deacon literally means servant and is so translated many times in Scripture. It is also used however to denote an office in the church. The function of the Deacons is to relieve the Elders of those necessary duties in the life and conduct of the church that are temporal rather than spiritual in nature. In these duties they shall be responsible to the Elders. The Deacons may be men or women and shall be members of the church who are "known to be full of the spirit and wisdom" (Act 6 vs 3). The number of Deacons shall be appropriate to the current needs of the church as determined by the Elders. Deacons shall normally be appointed at the Annual General Meeting of the church, but occasionally it may be necessary to appoint extra Deacons at a normal church meeting. When it is recognised by the Elders that the appointment of further Deacons is necessary, members will be invited to make nominations from the church membership to the Pastor, or an Elder if there is no Pastor, at least fourteen days before the meeting. The pastor, or Elder, shall obtain the consent of the nominee before that person can be put forward for election. At the meeting the nomination must then be seconded and receive at least a two thirds majority vote of the members present and voting before the appointment can be confirmed by the Elders. A Deacon shall retire after a three year tenure of office but is eligible for re-election. If a Deacon was appointed at a mid-point between Annual General Meetings, their time of service shall be from the AGM following their appointment. If the Elders are of the opinion that a Deacon shall relinquish the office before the end of their term they shall inform the Deacon and the church of the termination of their appointment.

Persons seeking membership shall arrange, after reading a copy of the Church Constitution, to be visited by at least two Elders or other members nominated by the Elders to gain satisfaction of their new birth, Christian character and consistent life, record their intention to abide by the Rules of Practice of the Constitution and their wholehearted assent to the church's Statement of Doctrine. Membership is then confirmed by a vote by the Elders and acceptance is acknowledged at the next convenient Lord's Table or at a Lord's Day service.

Induction of trustees

On induction a Trustee receives a copy of the Church rules 14/02/2018 version 3, the Constitution, latest annual financial statements and Guidance on the Role of a Trustee as issued by the Charity Commission.

MALVERN EVANGELICAL CHURCH

DEACONS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are responsible for setting remuneration for those staff paid by the church.

Policies

Policies are adopted by the Church to ensure compliance with Child Protection and Environmental Issues.

Future plans

Plans for the coming year include those of increasing the numbers of the Deaconate.

The Deacons' report was approved by the Deacons.



George Chakko-George

Deacon

Dated: 22 May 2024

MALVERN EVANGELICAL CHURCH

INDEPENDENT EXAMINER'S REPORT

TO THE DEACONS OF MALVERN EVANGELICAL CHURCH

I report to the Deacons on my examination of the financial statements of Malvern Evangelical Church (the church) for the year ended 31 December 2023.

Responsibilities and basis of report

As the Deacons 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

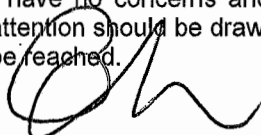
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting 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.



Elizabeth Needham ACA CTA (VAT)
Kendall Wadley LLP

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Dated: 22 May 2024

MALVERN EVANGELICAL CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income from:						
Donations and legacies	3	103,746	4,691	11,538	119,975	122,481
Other activities	4	842	-	-	842	405
Investments	5	706	-	-	706	51
Total income		<u>105,294</u>	<u>4,691</u>	<u>11,538</u>	<u>121,523</u>	<u>122,937</u>
Expenditure on:						
Charitable activities	6	<u>75,934</u>	<u>-</u>	<u>26,641</u>	<u>102,575</u>	<u>102,804</u>
Net incoming/(outgoing) resources before transfers		29,360	4,691	(15,103)	18,948	20,133
Gross transfers between funds	12	<u>(10,352)</u>	<u>-</u>	<u>10,352</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) for the year/ Net movement in funds		19,008	4,691	(4,751)	18,948	20,133
Fund balances at 1 January 2023		<u>104,791</u>	<u>634,209</u>	<u>7,191</u>	<u>746,191</u>	<u>726,058</u>
Fund balances at 31 December 2023		<u>123,799</u>	<u>638,900</u>	<u>2,439</u>	<u>765,138</u>	<u>746,191</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

MALVERN EVANGELICAL CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year - combined

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
Income from:					
Donations and legacies	3	103,244	5,110	14,127	122,481
Other activities	4	405	-	-	405
Investments	5	51	-	-	51
Total income		<u>103,700</u>	<u>5,110</u>	<u>14,127</u>	<u>122,937</u>
Expenditure on:					
Charitable activities	6	<u>77,132</u>	<u>-</u>	<u>25,672</u>	<u>102,804</u>
Net incoming/(outgoing) resources before transfers		26,568	5,110	(11,545)	20,133
Gross transfers between funds	12	<u>(13,322)</u>	<u>-</u>	<u>13,322</u>	<u>-</u>
Net income/(expenditure) for the year/ Net movement in funds		13,246	5,110	1,777	20,133
Fund balances at 1 January 2022		<u>91,545</u>	<u>629,099</u>	<u>5,414</u>	<u>726,058</u>
Fund balances at 31 December 2022		<u><u>104,791</u></u>	<u><u>634,209</u></u>	<u><u>7,191</u></u>	<u><u>746,191</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

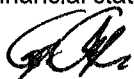
MALVERN EVANGELICAL CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022 Combined	
		£	£	£	£
Fixed assets					
Tangible assets	13		912,388		930,525
Current assets					
Debtors	14	2,331		10,554	
Cash at bank and in hand		52,633		35,233	
		54,964		45,787	
Creditors: amounts falling due within one year	15	(31,192)		(29,925)	
Net current assets			23,772		15,862
Total assets less current liabilities			936,160		946,387
Creditors: amounts falling due after more than one year	16		(171,024)		(200,196)
Net assets			765,136		746,191
Income funds					
Restricted funds	18		2,439		7,191
<u>Unrestricted funds</u>					
Designated funds	19	638,900		634,209	
General unrestricted funds		123,797		104,791	
			762,697		739,000
			765,136		746,191

The financial statements were approved by the Deacons on 22 May 2024



George Chakko-George

Treasurer

MALVERN EVANGELICAL CHURCH

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

1 Accounting policies

Entity information

Malvern Evangelical Church is a Charitable Incorporated Organisation registered with the Charity Commission in May 2018. The principal address is 204 - 208 Pickersleigh Road, Malvern, Worcestershire, WR14 2QX.

Basis of preparation

Malvern Evangelical Church was a registered charity 113125, a new Charitable Incorporated Organisation was established and is registered with the Charity Commission under number 1178558. All the assets and liabilities of the former charity were transferred to the new organisation on 1 January 2019. These financial statements are prepared in accordance with section 27 of the Statement of Recommended Practice, merger accounting. The assets, liabilities and funds of the two entities have been aggregated, the results for the year show the combined position for the whole accounting period and the comparatives relate to the old charity 1133125 now removed from the Register.

1.1 Accounting convention

The accounts have been prepared in accordance with the church's Rules and 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

At the time of approving the financial statements, the Deacons have a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future. Thus the Deacons 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 Deacons in furtherance of their charitable objectives.

All income received for a specific purpose, and expenditure relating to such purposes, is assigned to the relevant restricted fund.

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

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.4 Incoming resources

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. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

All other income is recognised when it is received.

1.5 Resources expended

Liabilities are recognised for the amounts that the charity anticipates it will have to pay to settle a debt or the amount that it has received in advance as payment for services it has to provide.

Expenditure on charitable activities includes the costs associated with the activities undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the programmes and activities undertaken.

The support costs are treated as core running costs of the charity.

1.6 Tangible fixed assets

Tangible fixed assets 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 bases:

Land and buildings	Buildings over 50 years
Property improvements	5 years straight line
Computer equipment	33% on net book value
Fixtures, fittings & equipment	33% on net book value and 5 years straight line

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.

1.7 Impairment of fixed 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).

MALVERN EVANGELICAL CHURCH

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

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 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.

1.9 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 debtors 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 creditors 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

MALVERN EVANGELICAL CHURCH

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

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.10 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.

2 Critical accounting estimates and judgements

In the application of the church's accounting policies, the Deacons 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.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Donations and legacies

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£
Donations and gifts	103,746	4,691	11,538	103,244	5,110	14,127	122,481

MALVERN EVANGELICAL CHURCH

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

4 Other activities

	Unrestricted funds general 2023 £	Unrestricted funds general Combined 2022 £
Church activities and clubs	842	405

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	706	51

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Charitable activities

	Ministry and mission fund	Clubs and other activities	Total	Ministry and mission fund	Clubs and other activities	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	Combined 2022 £
Staff costs	10,450	-	10,450	27,769	-	27,769
Depreciation and impairment	18,137	-	18,137	20,441	-	20,441
Costs of running activities	-	4,175	4,175	-	2,492	2,492
	<u>28,587</u>	<u>4,175</u>	<u>32,762</u>	<u>48,210</u>	<u>2,492</u>	<u>50,702</u>
Grant funding of activities (see note 7)	26,641	-	26,641	25,672	-	25,672
Share of support costs (see note 8)	41,308	-	41,308	24,279	-	24,279
Share of governance costs (see note 8)	1,864	-	1,864	2,151	-	2,151
	<u>98,400</u>	<u>4,175</u>	<u>102,575</u>	<u>100,312</u>	<u>2,492</u>	<u>102,804</u>
Analysis by fund						
Unrestricted funds - general	71,759	4,175	75,934	74,640	2,492	77,132
Restricted funds	26,641	-	26,641	25,672	-	25,672
	<u>98,400</u>	<u>4,175</u>	<u>102,575</u>	<u>100,312</u>	<u>2,492</u>	<u>102,804</u>

7 Grants payable

	2023 £	2022 Combined £
Grants made (see restricted funds note)	26,641	25,672
	<u>26,641</u>	<u>25,672</u>

MALVERN EVANGELICAL CHURCH

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

8 Support costs

	Support costs	Governance costs	2023 Support costs	Governance costs	2022 Combined
	£	£	£	£	£
Other support expenditure see below	41,308	-	41,308	24,279	24,279
Accountancy fees	-	1,440	1,440	-	1,620
Bank charges	-	424	424	-	531
	<u>41,308</u>	<u>1,864</u>	<u>43,172</u>	<u>24,279</u>	<u>26,430</u>
Analysed between Charitable activities	<u>41,308</u>	<u>1,864</u>	<u>43,172</u>	<u>24,279</u>	<u>26,430</u>

Governance costs includes payments to the accountants as shown above for accountancy fees and other services.

Other support expenditure

	2023 £	2022 £
Building repairs and maintenance	2,197	1,465
Rates and water	3,138	1,263
Light and heat	4,477	2,744
Insurance	3,432	2,920
Postage and stationery	156	311
Telephone	443	304
Subscriptions	2,072	1,606
Sundry Expenses	-	50
Mortgage Interest	14,724	10,234
Website Costs	778	744
Cleaning	2,130	2,189
Kitchen supplies	1,140	449
	<u>41,308</u>	<u>24,279</u>

9 Deacons

None of the Deacons (or any persons connected with them) received any remuneration during the year. None of the Deacons were reimbursed travelling expenses during the year.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Combined Number
Full-time employees	1	1

Employment costs

	2023 £	2022 Combined £
Wages and salaries	10,450	23,119
Other pension costs	-	4,650
	10,450	27,769

The employees are considered to be the key management personnel. however in 2023 we operated without a paid minister.

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

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Transfers

A transfer of £10,352 was made from unrestricted to restricted funds to cover the excess of restricted fund expenditure over income.

Following the completion of the accommodation project, all restricted funds received in connection with the project were released to the designated funds. Transfers are made to match the value of freehold property and fixtures and fittings associated therewith, after due allowance for outstanding loans and creditors.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Tangible fixed assets

	Land and buildings	Property improvements	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2023 - combined	1,040,382	9,732	66,884	7,431	1,124,429
At 31 December 2023	1,040,382	9,732	66,884	7,431	1,124,429
Depreciation and impairment					
At 1 January 2023 - combined	116,292	9,732	60,972	6,908	193,904
Depreciation charged in the year	15,998	-	1,954	185	18,137
At 31 December 2023	132,290	9,732	62,926	7,093	212,041
Carrying amount					
At 31 December 2023	908,092	-	3,958	338	912,388
At 31 December 2022 - combined	924,090	-	5,912	523	930,525

14 Debtors

	2023	2022 Combined
	£	£
Amounts falling due within one year:		
Other debtors	2,331	10,554

15 Creditors: amounts falling due within one year

	Notes	2023	2022 Combined
		£	£
Bank loans	17	24,752	23,485
Other borrowings		5,000	5,000
Accruals and deferred income		1,440	1,440
		31,192	29,925

16 Creditors: amounts falling due after more than one year

	Notes	2023	2022 Combined
		£	£
Bank loans	17	161,024	185,196
Other creditors		10,000	15,000
		171,024	200,196

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Loans and overdrafts

	2023	2022
	£	Combined £
Bank loans	185,776	208,681
Other loans	15,000	20,000
	<u>200,776</u>	<u>228,681</u>
Payable within one year	29,752	28,485
Payable after one year	<u>181,024</u>	<u>210,196</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>47,532</u>	<u>46,773</u>

The long-term loan is secured by a fixed charge over the freehold property of the charity.

The mortgage was entered into to provide finance for the building of the church, it was for a period of 15 years, repayable by instalments and carries interest at variable rate.

The other loan relates to funds advanced by a member to facilitate the financing of the new church building. This advance is unsecured and interest free and repayable, provided funds allow, in equal instalments of £5,000.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				Transfers	Balance at 31 December 2023	
	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers			
											£
					Combined						
Peter and Lydia Bennett Fund	-	7,890	(12,090)	4,200	-	6,625	(10,825)	4,200	-		
Arise (India)	-	16	(618)	602	-	2,066	(1,930)	470	606		
Donations and missions	-	-	(5,820)	5,820	-	-	(5,760)	5,760	-		
Kerala	470	-	-	-	470	-	-	(470)	-		
Benevolent Fund	2,564	1,650	(922)	-	3,290	525	(2,162)	-	1,653		
Malvern Food Banks	20	-	(20)	-	-	-	-	-	-		
Gaines 2023	2,360	2,133	(3,132)	-	1,362	2,202	(3,394)	-	170		
Ukraine Fund	-	2,428	(370)	-	2,058	-	(2,100)	42	-		
Rhameda Abdoussalame	-	10	-	-	10	-	-	-	10		
Frontiers Yukubu	-	-	(2,500)	2,500	-	-	-	-	-		
Jon Witt Dignity	-	-	(200)	200	-	-	-	-	-		
Youth Weekend	-	-	-	-	-	120	(150)	30	-		
Meeting point/ "Warm Spaces"	-	-	-	-	-	-	(320)	320	-		
	5,414	14,127	(25,672)	13,322	7,190	11,538	(26,641)	10,352	2,439		

The church has historically supported a number of people and their causes out of unrestricted funds as well as dedicated gifts. Some individual people chose to make specific gifts for these people. Therefore the restricted giving is made up of some individuals who have given to the church with a note stating that their gift is for a dedicated purpose or missionary, and also where the church has decided to set aside funds for such gifts.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Restricted funds

(Continued)

Peter & Lydia Bennett have been supported by the church since it began, originally with New Tribes Mission, but now as independent missionaries. Their work is based in Tasmania where they work mainly with family groups, the underprivileged, alcoholics and drug addicts, whilst Peter also teaches and pastors in local Baptist and Brethren churches (as required).

Donations and missions - donations and monies given to missions as described in the introduction.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2022	Movement in funds Incoming resources	Balance at 1 January 2023	Movement in funds Incoming resources	Balance at 31 December 2023
	£	£	Combined £	£	£
Freehold property	552,451	-	552,451	-	552,451
Accommodation project	76,648	5,110	81,757	4,691	86,448
	<u>629,099</u>	<u>5,110</u>	<u>634,208</u>	<u>4,691</u>	<u>638,899</u>

As the freehold properties owned by the church are not to be sold within the foreseeable future, the value of the freehold property held, net of mortgage loans and other associated creditors, is treated as a designated fund.

The accommodation fund represents money set aside by the deacons to assist with costs involved with expanding the physical buildings and facilities to accommodate the long term needs of the MEC.

MALVERN EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20	Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total Unrestricted funds		Designated funds		Restricted funds		Total	
		2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£
	Fund balances at 31 December 2023 are represented by:														
	Tangible assets	359,936		552,452		-		912,388		378,073		552,452		930,525	
	Current assets/(liabilities)	(65,115)		86,448		2,439		23,772		(73,086)		81,757		15,862	
	Long term liabilities	(171,024)		-		-		(171,024)		(200,196)		-		(200,196)	
		123,797		638,900		2,439		765,136		104,791		634,209		746,191	

MALVERN EVANGELICAL CHURCH

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

21 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

