

**Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 August 2021
for
The Wesley Centre (Malton)**

Ashby Berry Coulsons
2 Belgrave Crescent
Scarborough
North Yorkshire
YO11 1UB

The Wesley Centre (Malton)

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for the Year Ended 31 August 2021**

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The Wesley Centre (Malton)

**Reference and Administrative Details
for the Year Ended 31 August 2021**

Trustees	P Emberley Dr N V Hardwick R Lukey J Cunningham J H Capstick A P Green Mrs R Hadfield A Lonsdale Mrs A Lonsdale	resigned March 2021
Principal address	The Wesley Centre 10-12 Saville Street Malton North Yorkshire YO17 7LL	
Registered charity number	1181629	
Independent examiner	Ashby Berry Coulsons 2 Belgrave Crescent Scarborough North Yorkshire YO11 1UB	
Bankers	Barclays Bank plc Leicester LE87 2BB	

The Wesley Centre (Malton)
Report of the Trustees
for the Year Ended 31 August 2021

The trustees present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of 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

a. Objectives

The objects of the charity are:

- To further or benefit the residents of Malton, and the district of Ryedale, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for the residents
- To advance the Christian religion in Malton, and the district of Ryedale for the benefit of the public through the provision and maintenance of the Wesley Centre for use as a place of worship.
- To advance the education of the public through the preservation and maintenance of the Grade II* listed Wesley Centre Malton building (formerly known as Malton Methodist Church).

b. Public benefit

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

Achievement and performance

In common with many other similar venues, the Covid-19 pandemic presented a number of challenges which in the main had the effect of delaying the project development start. It is anticipated this situation will ease as the global health crisis improves, and potential funders start to re-open their main grant programmes once again. During the autumn of 2020, it was announced that the Wesley Centre had been successful with two significant grants under the Government's Culture recovery Fund for Heritage, amounting in total to £117,000.

The grants enabled the Wesley Centre to undertake a number of initiatives, adding resilience for its continued operation under challenges circumstances. This included the installation of a state-of-the-art live stream broadcast system, Covid-secure seat and pew cushions to all c.600 seats in the building, as well as funds to support a major community survey of 11,000 homes in the YO17 postcode area. The results for this survey were very positive.

Plans for future periods

Work continued during the year on fundraising and preparations with the architect and design team on the detailed and sensitive restoration to the large interior of the main space (Phase 3), and Phase 4, the reinstatement of the three-storey attached annex to the rear of the building (see further detail below). The transformational re-development programme of the Wesley Centre is expected to become a reality by 2023/24. Once completed, the historic Wesley Centre buildings in the heart of a rapidly growing community in Malton will have been sensitively transformed for the 21st Century, making them more flexible and more accessible for use by a diverse population and a community that is both the largest centre of populous and the commercial centre of southern Ryedale. All permissions are now in place for the final phases of the work.

The Wesley Centre (Malton)

Report of the Trustees for the Year Ended 31 August 2021

Plans for future periods - continued

Phase 4 refers to the reinstatement of a large three-storey annex attached to the rear of the building and housing a wide variety of new community spaces, together with new cloakrooms and a professional events kitchen. Phase 4 will also include the reinstatement of a large historic 3 manual 31 stop pipe organ which will be centrally positioned in this large space, and in its own right, an instrument able to attract some of the most renowned national and international performers.

Financial review

a. Going concern

After making appropriate enquiries and with the ongoing support of a loan from a Trustee, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Prior to the activities of the Wesley Centre moving from 'development mode' to a fully operational position once the new facilities are complete, it is intended that a new reserves policy will be adopted for the Charity.

c. Results

The Charity's accounts show a surplus for the period of £20,052 (2020: £40,973) and total funds (all unrestricted) of £56,497 (2020: £36,445) as at the balance sheet date. However, at 31 March 2021, £34,387 of these funds are invested in fixed assets, so the free reserves available to the charity are £22,110. A Memorandum of Understanding (MoU) between the Charity and the Church was drafted and reviewed by the Trustees for Methodist Church Purposes (the ultimate owners of the Wesley Centre buildings) and it was then agreed also by the trustees of the Charity, and the Church Council, being signed in November 2020. Prior to this, in August 2020, the Church Council agreed that the MoU can eventually be transitioned into a lease on all the premises, and this key point is reflected as such in the MoU.

Structure, governance and management

a. Constitution

The Wesley Centre (Malton) is a registered charity, number 1181629, and is constituted as a Charitable Incorporated Organisation (CIO) under the foundation model.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. The decisions of the Church Council will have primacy on such matters that remain core to the partnership relationship.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, 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) issued in October 2019.

Approved by order of the board of trustees on 12 January 2023 and signed on its behalf by:

.....
P Emberley - Trustee

**Independent Examiner's Report to the Trustees of
The Wesley Centre (Malton)**

Independent examiner's report to the trustees of The Wesley Centre (Malton)

I report to the charity trustees on my examination of the accounts of The Wesley Centre (Malton) (the Trust) for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

Anne Mead BSc FCA
Chartered Accountant
Ashby Berry Coulsons
2 Belgrave Crescent
Scarborough
North Yorkshire
YO11 1UB

Date: 12 January 2023

The Wesley Centre (Malton)

**Statement of Financial Activities
for the Year Ended 31 August 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
Income and endowments from					
Donations and legacies	2	31,185	30,000	61,185	50,707
Other trading activities	3	<u>9,988</u>	<u>-</u>	<u>9,988</u>	<u>12,433</u>
Total		<u>41,173</u>	<u>30,000</u>	<u>71,173</u>	<u>63,140</u>
 Expenditure on					
Raising funds	4	666	-	666	7,473
 Charitable activities	5				
Core activities		<u>20,455</u>	<u>30,000</u>	<u>50,455</u>	<u>14,694</u>
Total		<u>21,121</u>	<u>30,000</u>	<u>51,121</u>	<u>22,167</u>
 NET INCOME		20,052	-	20,052	40,973
 Reconciliation of funds					
Total funds brought forward		<u>36,445</u>	-	<u>36,445</u>	<u>(4,528)</u>
 Total funds carried forward		<u><u>56,497</u></u>	<u><u>-</u></u>	<u><u>56,497</u></u>	<u><u>36,445</u></u>

The notes form part of these financial statements

The Wesley Centre (Malton)

**Balance Sheet
31 August 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
Fixed assets					
Tangible assets	8	34,387	-	34,387	-
Current assets					
Debtors	9	179,474	-	179,474	209,700
Cash at bank		<u>855</u>	<u>-</u>	<u>855</u>	<u>293</u>
		180,329	-	180,329	209,993
Creditors					
Amounts falling due within one year	10	(89,455)	-	(89,455)	(173,548)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net current assets		<u>90,874</u>	<u>-</u>	<u>90,874</u>	<u>36,445</u>
Total assets less current liabilities		125,261	-	125,261	36,445
Creditors					
Amounts falling due after more than one year	11	(68,764)	-	(68,764)	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET ASSETS/(LIABILITIES)		<u>56,497</u>	<u>-</u>	<u>56,497</u>	<u>36,445</u>
Funds	12				
Unrestricted funds				<u>56,497</u>	<u>36,445</u>
Total funds				<u>56,497</u>	<u>36,445</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12 January 2023 and were signed on its behalf by:

.....
P Emberley - Trustee

The notes form part of these financial statements

The Wesley Centre (Malton)

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Accounting policies

General information

The Wesley Centre (Malton) is a Charitable Incorporated Organisation (CIO) registered in England / Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are: to provide facilities in the interests of social welfare for recreation and leisure time occupation; to advance the Christian religion through the provision and maintenance of the Wesley Centre for use as a place of worship; and to advance the education of the public through the preservation and maintenance of the grade II* listed Malton Methodist Church building.

Basis of preparing the financial statements

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued in October 2019, the Financial Reporting and UK Generally Accepted Practice.

Statement of compliance with prevailing laws and regulations

The financial statements have been prepared to give a 'true and fair' view and 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 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements: Insert detail

The trustees consider that no judgements, apart from those involving estimates, have been made in the process of applying the above accounting policies which have had a significant effect on amounts recognised in the financial statements.

The trustees consider that no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date have been made which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

The Wesley Centre (Malton)

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

1. Accounting policies - continued

General information

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Comparative figures

The charity held only unrestricted funds in the previous year and therefore full fund movement and comparative information is available from the Statement of Financial Activities and Balance Sheet.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised at fair value when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

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

Income received in advance of the provision of specified services is deferred until the criteria for income recognition are met.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

The charity's administration and project management is carried out by the trustees without remuneration, supported by other volunteers. No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

On receipt, donated professional services and donated facilities are recognised on the basis of the fair value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The Wesley Centre (Malton)

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

1. Accounting policies - continued

Income

Interest receivable

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

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

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Taxation

The charity is exempt from tax on its charitable activities.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

The Wesley Centre (Malton)

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

1. Accounting policies - continued

Debtors and creditors receivable / payable within one year

Taxation

The charity is exempt from corporation tax on its charitable activities.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. In their view, the budgeted income and expenditure, together with the written confirmations that repayment of the loans from individuals will not be requested to the detriment of the charity's ability to settle its commitments as they fall due, is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Donations and legacies

	2021	2020
	£	£
Donations	31	707
Grants	<u>61,154</u>	<u>50,000</u>
	<u>61,185</u>	<u>50,707</u>

£30,000 (2020: none) of the above income was attributable to restricted funds and £31,185 (2020: all) was attributable to unrestricted funds.

Grants receivable comprise

	2021	2020
	£	£
The Bernard Sunley Foundation	30,000	-
Covid Culture Recovery 1 (excluding Malton Methodist Church element)	49,421	-
Covid Culture Recovery 2 (excluding Malton Methodist Church element)	9,483	-
Methodist Insurance (2022: reallocation to Malton Methodist Church)	<u>(27,751)</u>	<u>50,000</u>
	<u>61,153</u>	<u>50,000</u>

The Wesley Centre (Malton)

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

3. Other trading activities

	2021	2020
	£	£
Rental income	<u>9,988</u>	<u>12,433</u>

All the above income for the current and preceding year was attributable to unrestricted funds.

4. Raising funds

Raising donations and legacies

	2021	2020
	£	£
Event costs	450	7,473
Other fund raising costs	<u>216</u>	<u>-</u>
	<u>666</u>	<u>7,473</u>

All the above income for the current and preceding year was attributable to unrestricted funds.

5. Charitable activities costs

	Direct Costs £	Support costs (see note 6) £	Totals £
Core activities	<u>48,255</u>	<u>2,200</u>	<u>50,455</u>

Comparatives for Charitable activities costs

	Direct costs £	Support costs £	Total £
Core activities	<u>6,874</u>	<u>7,820</u>	<u>14,694</u>

The Wesley Centre (Malton)

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

6. Support costs

	Governance costs £
Core activities	<u><u>2,200</u></u>

Comparatives for support costs

	Governance £	Total £
Core activities	<u><u>7,820</u></u>	<u><u>7,820</u></u>

Independent examiner's remuneration

	2021 £	2020 £
Independent examination and accounts preparation	2,000	3,275
Other services	<u>-</u>	<u>4,545</u>
	<u><u>2,000</u></u>	<u><u>7,820</u></u>

7. Trustees' remuneration and benefits

No trustee received any remuneration, or other benefits during the year. (2020: None)

Trustees' expenses

No expenses were reimbursed to any trustee during the year (2020: None)

8. Tangible fixed assets

	Fixtures and fittings £
Cost	
Additions	<u><u>34,387</u></u>
Net book value	
At 31 August 2021	<u><u>34,387</u></u>
At 31 August 2020	<u><u>-</u></u>

The Wesley Centre (Malton)

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

9. Debtors: amounts falling due within one year

	2021	2020
	£	£
Other debtors	166,449	206,555
VAT	2,210	1,250
Prepayments and accrued income	<u>10,815</u>	<u>1,895</u>
	<u>179,474</u>	<u>209,700</u>

10. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	36,294	-
Other creditors	50,799	167,764
Accrued expenses	<u>2,362</u>	<u>5,784</u>
	<u>89,455</u>	<u>173,548</u>

11. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Other creditors	<u>68,764</u>	<u>-</u>

12. Movement in funds

	At 1 September 2020	Incoming Resources	Resources Expended	At 31 August 2021
	£	£	£	£
Unrestricted funds				
General fund	<u>36,445</u>	<u>41,173</u>	<u>(21,121)</u>	<u>56,497</u>
	At 1 September 2019	Incoming Resources	Resources Expended	At 31 August 2020
	£	£	£	£
Restricted funds				
Bernard Sunley Foundation	<u>-</u>	<u>30,000</u>	<u>(30,000)</u>	<u>-</u>

All transactions in the previous year related to unrestricted funds.

The Wesley Centre (Malton)

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

13. Related party disclosures

Malton Methodist Church

The restoration of the Malton Methodist premises is being undertaken jointly by Malton Methodist Church (MMC) and The Wesley Centre (Malton). Project management is carried out by The Wesley Centre, which makes the payments to contractors and suppliers. Costs up to 31 August 2020 were funded through MMC. Following the inception of the Memorandum of Understanding between The Wesley Centre and MMC, as endorsed by the Trustees for Methodist Church Purposes, certain costs are now being funded directly through The Wesley Centre.

Two of the Wesley Centre's Trustees hold the position of Steward in MMC.

At 31 August 2020, MMC owed £205,256 to the Wesley Centre. During the year, the Wesley Centre made payments on behalf of Malton Methodist Church (MMC) totalling £63,022 (2020: £197,829). £120,200 (2020: £59,206) was received from or on behalf of MMC and non-cash transactions relating to funding and loans received in one entity but relating to the other, netted off to a further £18,371 (2020: £nil) owed to The Wesley Centre by MMC. The balance of £166,449 due from MMC at 31 August 2021 is included in other debtors. It is anticipated that the majority of this debt will be offset against future revenue payable to MMC.

Loans from trustees

At 31 August 2020, the Wesley Centre's creditors included a balance of £165,764 in respect of a loan from Mr P Emberley, one of the trustees. During the year, Mr Emberley advanced a further £1,200 to the charity and £19,200 was repaid to him. In addition, £20,500 of the loan previously attributed to the Wesley Centre was re-categorised as relating to MMC. The balance of £103,764 owed to Mr Emberley at 31 August 2021 is shown in the balance sheet as £35,000 under loans due within one year and £68,764 under loans due after one year. No interest is payable on this loan and there is no fixed repayment date.

The charity also holds a loan of £2,000 from another trustee, R Lukey, which is included in the balance sheet under loans due within one year.

Mr Emberley and Mr Lukey have confirmed in writing that repayment of these balances will be postponed to the extent that any repayment would prejudice the payment of the charity's debts as they fall due.