

Arnold Road Evangelical Church

Report and Accounts

Year ended 30 September 2022

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

ARNOLD ROAD EVANGELICAL CHURCH
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

| | |
|--|--|
| ADDRESS FOR CORRESPONDENCE | Arnold Road Evangelical Church Arnold Road Nottingham NG5 5HN |
| GOVERNING DOCUMENT | Constitution dated March 2011, as amended June 2022 |
| CHARITY REGISTRATION NUMBER | 1190512 |
| TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY | N L Pomeroy - Pastor H Mitchell - Secretary D Myers - Treasurer E Neat A R Williams A Clinkscale (resigned 7th July 2022) |
| CUSTODIAN TRUSTEES | The Fellowship of Independent Evangelical Churches Limited [FIEC] |
| BANKERS | Barclays Bank plc CCLA Fund Managers Limited |
| INDEPENDENT EXAMINER | Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB |

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ARNOLD ROAD EVANGELICAL CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Trustees have pleasure in submitting the Report and Accounts for the year ended 30 September 2022.

Objects of the charity

The charity, which is a church, is governed by a constitution and is constituted as a trust. The charity's principal object is the advancement of the Christian faith. To do so we seek to glorify God through obeying his word the Bible.

Review of the charity's main activities and achievements

To further the above objects and vision, the charity's main activities and achievements were as follows:

This year was the first since March 2020 when we have been able to return to a full program of ministries as the last Covid restrictions were eased. We are grateful to God for sustaining us through the Covid pandemic.

Thus, we have been able to re-introduce unlimited attendance at Sunday services, a full range of Sunday School classes, weeknight youth meetings on Thursdays and Fridays, with a young adults Bible study also on Fridays, unlimited attendance at Toddlers, second Sunday fellowship lunches, Breakfast Café, Hawthorns nursing home services, and Coffee morning.

Bible Exhibition, Week of Evangelism, Holiday Bible Club, Harby Church Weekend Away and ACE youth weekend were able to go ahead normally and were blessed times.

We have seen an increased attendance at church on Sunday mornings, sometimes exceeding the seating capacity, and have begun to consider different options to find the best way to address this, so that newcomers are not prevented from joining in worship and hearing the Gospel.

There has also been an increase in church membership, and we thank God for those taking this step of commitment to the work of Christ in the fellowship of the local church here.

We also rejoiced in a number of baptisms at Eastertime as those baptised professed their repentance, and faith in the Lord Jesus.

We were also joined at the beginning of the year by a new Assistant Pastor, David Howe, and his wife Lauren and their three children. We are thankful for the blessing of his first year of ministry among us.

We remain committed to training for ministry and are supporting two men attending London Seminary part time, and also a young woman training for youth ministry through Crosslands.

During the year the Managing Trustees continued the process of transferring the position of property holding trustee from FIEC Ltd to Church Growth Trust.

In the course of this, the wording of the church's governing documents, and the constitution and rules, have been revised and harmonised, particularly in relation to the appointment of Managing Trustees, to comply with charity law while still upholding what we believe to be the scriptural principles for church leadership.

We are once again thankful to our gracious God for the financial provision for the ministries of the church over the past year.

During the year we were able also to complete two projects through generous gifts: firstly the partial conversion of the garage at Belleville Drive into a study for the Assistant Pastor, and secondly the erection of an illuminated external sign on the front of the church building.

We have also been able to set aside funds for future requirements, for the purchase in due course of a replacement minibus, and for building renovation, particularly the roof of the back hall.

We recognise that we face financial challenges in the coming year, but we remain confident that our God will supply our every need according to his riches in glory by Christ Jesus.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

Financial review

During the year income increased by £37,200, to £171,700, and expenditure increased by £50,700, to £159,300. As a result the cash held by the charity increased by £12,400, to £109,300, of which £78,900 is unrestricted and can be used for any charitable purpose.

Reserves policy

The Trustees have determined that the charity should aim to hold unrestricted cash of no less than £60,000 (which equates to about 6 months of unrestricted expenditure) so that the charity could continue to operate should income and /or expenditure vary adversely. At the year end the charity held unrestricted cash of £78,900 and the charity is complying with its reserves policy.

Governance

The policy and operating decisions of the charity rest with the Trustees, who meet regularly to monitor the activities of the Trust. Day to day management of church affairs is undertaken by the Elders and Deacons of the Church. All appointments are confirmed by the membership at the Annual General Meeting of the Church.

Responsibilities of trustees

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

Approval

This report was approved by the trustees and signed on their behalf by:

D. Myers

H Mitchell

Date: 26 February 2023

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
ARNOLD ROAD EVANGELICAL CHURCH

I report to the trustees on my examination of the accounts of Arnold Road Evangelical Church ('the charity') for the year ended 30 September 2022 on pages 5 to 8 following.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and 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

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 accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Jaimée Young

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: 27 February 2023

ARNOLD ROAD EVANGELICAL CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

| | Notes | <u>Unrestricted Funds</u> | | Restricted Funds | Total 2022 | Total 2021 |
|---|-------|---------------------------|------------------|------------------|----------------|----------------|
| | | General Funds | Designated Funds | | | |
| | | £ | £ | £ | £ | £ |
| <i>Income receipts</i> | | | | | | |
| Donations | | 90,859 | - | 52,550 | 143,409 | 112,984 |
| Gift aid receipts | | 16,642 | - | 3,954 | 20,597 | 16,361 |
| Income from courses and events | | 4,142 | - | - | 4,142 | 1,975 |
| Income from use of facilities | | 3,332 | - | - | 3,332 | 3,148 |
| Investment income | | 211 | - | - | 211 | 48 |
| <i>Total receipts</i> | | <u>115,187</u> | <u>-</u> | <u>56,504</u> | <u>171,691</u> | <u>134,516</u> |
| <i>Payments</i> | | | | | | |
| Payments in relation to charitable activities undertaken directly | 2 | 105,090 | - | 47,539 | 152,629 | 99,730 |
| Grants paid in relation to charitable activities undertaken by others | 3 | 5,748 | - | 881 | 6,629 | 8,802 |
| <i>Total payments</i> | | <u>110,838</u> | <u>-</u> | <u>48,420</u> | <u>159,258</u> | <u>108,532</u> |
| Net of receipts / (payments) before transfers | | 4,349 | - | 8,085 | 12,433 | 25,984 |
| Transfers between funds | 5 | (18,606) | 18,606 | - | - | - |
| Net movement in funds | | <u>(14,258)</u> | <u>18,606</u> | <u>8,085</u> | <u>12,433</u> | <u>25,984</u> |
| Cash funds as at last year end | | 74,258 | 250 | 22,367 | 96,875 | 70,891 |
| Cash funds at this year end | A | <u>60,000</u> | <u>18,856</u> | <u>30,452</u> | <u>109,308</u> | <u>96,875</u> |

The notes on pages 7 - 8 form part of these accounts.

ARNOLD ROAD EVANGELICAL CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

| | <u>Unrestricted Funds</u> | | Restricted funds | Total 2022 | Total 2021 |
|-------------------------------------|---------------------------|------------------|------------------|----------------|---------------|
| | General funds | Designated funds | funds | £ | £ |
| | £ | £ | £ | £ | £ |
| A Cash funds | | | | | |
| Current account | 5,782 | 4,370 | 30,452 | 40,605 | 38,352 |
| Reserve account | 20,556 | - | - | 20,556 | 20,547 |
| Deposit accounts | 33,662 | 14,486 | - | 48,148 | 37,976 |
| | <u>60,000</u> | <u>18,856</u> | <u>30,452</u> | <u>109,308</u> | <u>96,875</u> |
| B Other monetary assets | | | | | |
| Gift aid due to charity | 3,295 | - | 5,580 | 8,875 | 8,000 |
| Other debtors | - | - | - | - | 224 |
| | <u>3,295</u> | <u>-</u> | <u>5,580</u> | <u>8,875</u> | <u>8,224</u> |
| C Liabilities | | | | | |
| Falling due within one year: | | | | | |
| PAYE due | 2,952 | - | - | 2,952 | 2,000 |
| Mortgage | 6,479 | - | - | 6,479 | 6,447 |
| Pension due | 422 | - | - | 422 | 328 |
| Fee for Independent Examination | 1,440 | - | - | 1,440 | 1,440 |
| | <u>11,293</u> | <u>-</u> | <u>-</u> | <u>11,293</u> | <u>10,215</u> |
| Falling due after one year: | | | | | |
| Mortgage | 36,379 | - | - | 36,379 | 41,081 |
| | <u>36,379</u> | <u>-</u> | <u>-</u> | <u>36,379</u> | <u>41,081</u> |
| Total | <u>47,673</u> | <u>-</u> | <u>-</u> | <u>47,673</u> | <u>51,296</u> |

The mortgage is secured on the property at Belleville Drive, Nottingham, and is repayable over 15 years at an interest rate of 4.0% per annum

| D Assets retained for charity's own use | Value 2022 | Value 2021 |
|--|------------------|------------------|
| | £ | £ |
| Church building | 1,401,281 | 1,312,061 |
| Church contents | 62,272 | 57,078 |
| Manse | 2,000,000 | 2,000,000 |
| Motor vehicle | 3,000 | 4,500 |
| | <u>3,466,553</u> | <u>3,373,639</u> |

The trustees have used insurance values for the buildings and contents as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

The value of the minibus has been estimated.

E Guarantees and secured debts

The charity has not given any guarantees and has not provided its assets as security for any liabilities.

The accounts were approved by the trustees and signed on their behalf

by

D. Myers

H. Mitchell

date

26 February 2023

The notes on pages 7 - 8 form part of these accounts.

ARNOLD ROAD EVANGELICAL CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

| | | <u>Unrestricted Funds</u> | | Restricted Funds | Total 2022 | Total 2021 |
|--|--------|---------------------------|------------------|------------------|----------------|---------------|
| | | General funds | Designated funds | Funds | | |
| | | £ | £ | £ | £ | £ |
| 2 Payments in relation to charitable activities undertaken directly | | | | | | |
| Employment costs (incl. minister exps) | Note 4 | 51,602 | - | 8,025 | 59,626 | 54,831 |
| Property costs: | | | | | | |
| Belleville Drive mortgage | | 6,479 | - | - | 6,479 | 11,992 |
| Belleville Drive garage conversion | | - | - | 20,249 | 20,249 | - |
| Belleville Drive other costs | | 1,004 | - | - | 1,004 | 2,395 |
| Manse | Note 4 | 1,920 | - | - | 1,920 | 1,853 |
| Church | | 12,467 | - | - | 12,467 | 9,986 |
| Church sign | | - | - | 2,010 | 2,010 | 160 |
| Insurance | | 2,237 | - | - | 2,237 | 2,164 |
| Evangelism | | 7,631 | - | - | 7,631 | 3,696 |
| Training | | 8,581 | - | 17,255 | 25,836 | 6,229 |
| Work among the young | | 2,858 | - | - | 2,858 | 1,072 |
| Equipment and software | | 1,830 | - | - | 1,830 | 300 |
| Minibus expenses | | 1,454 | - | - | 1,454 | 1,598 |
| Governance | | 1,380 | - | - | 1,380 | 1,440 |
| Property trust legal costs | | 4,992 | - | - | 4,992 | - |
| Administration and support | | 296 | - | - | 296 | 1,684 |
| Other | | 360 | - | - | 360 | 330 |
| | | <u>105,090</u> | <u>-</u> | <u>47,539</u> | <u>152,629</u> | <u>99,730</u> |

3 Grants and gifts paid to others

| | | | | | |
|------------------------|--|--------------|----------|------------|--------------|
| Organisations: | | | | | |
| FIEC | | 2,688 | - | - | 2,688 |
| Delhi Bible Institute | | 520 | - | - | 520 |
| Organisations < £1,000 | | 2,540 | - | 881 | 3,421 |
| Individuals | | - | - | - | - |
| | | <u>5,748</u> | <u>-</u> | <u>881</u> | <u>6,629</u> |
| | | | | | <u>8,802</u> |

ARNOLD ROAD EVANGELICAL CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

4 Transactions with related parties

N Pomeroy served as a church leader and was paid £24,255 [2021: £23,604] for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document.

In addition the charity incurred expenditure totalling £1,920 [2021: £1,853] in respect of the provision of accommodation (which is customary for ministers) to N Pomeroy, who is a trustee, so that they could better perform their duties.

H Mitchell served as a part-time evangelist and was paid £10,472 [2021: £10,191] for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document.

5 Movement of funds

| | Opening balance £ | Receipts £ | Payments £ | Transfers £ | Closing balance £ |
|----------------------------|-------------------------|----------------|------------------|----------------|-------------------------|
| General funds | 74,258 | 115,187 | (110,838) | (18,606) | 60,000 |
| Designated funds | | | | | |
| Replacement of the minibus | 125 | - | - | 2,606 | 2,731 |
| Major refurbishments | 125 | - | - | 16,000 | 16,125 |
| | <u>74,508</u> | <u>115,187</u> | <u>(110,838)</u> | <u>-</u> | <u>78,856</u> |
| Restricted funds | | | | | |
| Harvest fund | 305 | 760 | (330) | - | 735 |
| Christmas fund | 60 | 554 | (551) | - | 63 |
| Church refurbishment | 3,504 | 10,000 | - | - | 13,504 |
| Church sign | 2,240 | - | (2,010) | (230) | - |
| Garage conversion | - | 20,249 | (20,249) | - | - |
| Gospel worker fund | - | 8,025 | (8,025) | - | - |
| Minibus | - | 3,750 | - | 230 | 3,980 |
| African Pastors Conference | 140 | - | - | - | 140 |
| Member ministry support | 15,568 | 11,667 | (15,235) | - | 12,000 |
| Member ministry support | 550 | 1,500 | (2,020) | - | 30 |
| | <u>22,367</u> | <u>56,504</u> | <u>(48,420)</u> | <u>-</u> | <u>30,452</u> |
| Total funds | <u>96,875</u> | <u>171,691</u> | <u>(159,258)</u> | <u>-</u> | <u>109,308</u> |

The Harvest fund relates to an annual appeal in September, the proceeds of which are donated through Christian aid agencies to help those suffering hunger or similar emergencies.

The Christmas fund relates to an annual appeal around Christmas time, the proceeds of which are sent through Christian aid agencies to help those in need, particularly children.

The Church refurbishment fund relates to donations given towards the cost of future repairs and refurbishment of the back hall, such as replacing the existing roof which is deteriorating.

The Church sign funds were spent on the purpose for which they were given and the transfer of remaining funds to the Minibus fund was with permission from the donor.

The Garage Conversion fund was for construction within the garage at 1 Belleville Drive of a study for the Assistant Pastor. This has been completed and so the fund will be closed.

The Gospel worker fund was set up for donations given to help pay for the employment costs of an Assistant Pastor.

The Minibus fund relates to donations given for the future purchase of a replacement minibus when required.

The Member ministry training funds were set up for donations to support two members of the church who are training for ministry, to help pay tuition fees and living costs.