

THE FREE CHURCH FEDERAL COUNCIL (INCORPORATED)

England & Wales · Charity number 236878

Details

Other names	THE FREE CHURCH FEDERAL COUNCIL, THE FREE CHURCHES GROUP, THE FREE CHURCHES' COUNCIL
Status	Registered
Legal form	Charitable company
Company number	00364987
Registered	1965-03-23
Register	View on the Charity Commission register

Contact

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Website www.freechurches.org.uk

Activities

Objects: THE ADVANCEMENT OF THE CHRISTIAN RELIGION

Activities: The advancement of the Christian religion.

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£240,488	£369,554	-	-
2024-12-31	£285,805	£385,035	-	-
2023-12-31	£258,369	£335,379	-	-
2022-12-31	£230,329	£315,300	-	-
2021-12-31	£196,626	£312,562	-	-
2020-12-31	£225,978	£367,749	-	-

Trustees

Name	Role	Appointed
Rev JAMES ALEXANDER BRESLIN	Chair	2014-09-17
ERIC SOUTHWICK		2013-04-15
Major Paul Robinson		2025-04-01
Rev DANIEL RAY YARNELL		2020-03-31
Rev DESETA Florence DAVIS		2014-11-17
Rev HELEN CAMERON		2020-03-31
Rev TREVOR HOWARD		2011-11-25
Rev Tessa Henry-Robinson		2024-06-01
Yvonne Campbell		2020-03-31

THE FREE CHURCH FEDERAL COUNCIL (INCORPORATED)

England & Wales - Charity number 236878

Accounts

Free Church Federal Council (Incorporated)



ANNUAL REPORT 2025

Address: 27 Tavistock Square, London, WC1H 9HH

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COMPANY INFORMATION

Company number	00364987
Charity number	236878
Directors / Trustees (as at date of report)	<p>Revd Dr Tessa Henry-Robinson (Moderator from 13 April 2025)</p> <p>Revd Helen Cameron (Moderator until 13 April 2025)</p> <p>Revd James Breslin (Chairman of the Board)</p> <p>Mr Eric Southwick (Treasurer)</p> <p>Mrs Yvonne Campbell</p> <p>Revd Deseta Davis</p> <p>Revd Trevor Howard</p> <p>Major Paul Robinson (Appointed 1 April 2025)</p> <p>Revd Daniel Yarnell (Vice-Chairman of the Board)</p>
General Secretary	Revd Paul Rochester
Registered Office	27 Tavistock Square, London, WC1H 9HH.
Bankers	CAF Bank Limited 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ.
Solicitors	Ashtons Legal Waterfront House, Wherry Quay, Ipswich, Suffolk, IP4 1AS.
Independent Examiner	Mark Heaton FCCA DChA FCIE K M 1st Floor, Block C, The Wharf, Manchester Road, Burnley, Lancashire, BB11 1JG.
Fund Managers	CCLA Investment Management Ltd COIF Charity Funds 85 Queen Victoria Street, London, EC4V 4ET.

DIRECTORS' REPORT

The Trustees present their annual report with the accounts for the year ended 31 December 2025. The accounts comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association, Financial Reporting Standard 102 and follow the recommendations in 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).

PROMOTING WITNESS IN THE PUBLIC SQUARE

The Free Churches group (FCG) focused on its 2023-2026 Strategy, which prioritises the following aims:

1. Support Free Church Chaplains in core sectors.
2. Advocate for justice and equality through a Free Church voice in the public square.
3. Expand engagement with Free Church denominations and local churches.
4. Engage confidently in the ecumenical efforts to support the full range of its membership.

Under its strategy, the FCG continued to focus on its core work of chaplaincy. This report outlines activity undertaken to support chaplains across both the core and wider sectors. During the year, the Chaplaincy Hub was further developed, enhancing provision for chaplains through pastoral support and signposting to relevant training and academic courses.

Chaplaincy ministry across the core sectors continued to flourish, with Free Churches chaplains providing pastoral support in hospitals, prisons, and educational establishments. In Armed Forces Chaplaincy, approximately 50 Free Churches chaplains are currently serving. There remains, however, a need for newly eligible denominations to begin submitting suitable candidates to the United Board for commendation to the Forces after a process of discernment based on meeting the exacting criteria for this ministry. The Armed Forces have vacancies for chaplains, who serve as Subject Matter Experts, and the FCG aims to play its part in providing spiritual support for our soldiers and military personnel.

Board and Staff Matters

A transition in leadership took place during the year with Revd Dr Tessa Henry-Robinson beginning her tenure as the Moderator of the Free Churches Group. The transition was managed smoothly, and the Moderator's Induction Service was held on the 13th April 2025 at the American International Church in Tottenham Court Road, London. The service was attended by over one hundred people with representation from across all the FCG Group's membership. It provided an opportunity to reflect on the historic role of the Free Churches in upholding values of justice, equality, freedom and peace, grounded in Christian roots and the inherent dignity and respect of every individual. The FCG also formally expressed thanks to Revd Helen Cameron for her service as Moderator. Revd Cameron ably represented the Free Churches during a period of significant change for the monarchy, following the death of Queen Elizabeth II and the accession of King Charles III.

In accordance with the FCG Constitution, Dr Hugh Osgood stepped down from the Board during the year, as Revd Helen Cameron assumed the role of Past Moderator to complete her term until March 2026. These governance changes were undertaken with gratitude for faithful service and with confidence in God's continued blessing on the ministry of the Free Churches in the United Kingdom.

There was a reduction in the administrative posts to take account of changes in work portfolios and how work areas are managed given the greater reliance on information technology and online meetings.

Other Business

The Churches Legislation Advisory Service (CLAS) continued to provide guidance and information on developments in Government policy affecting Churches and their mission. The General Secretary sat on the Places of Worship Forum, which focuses on the conservation and sustainable future of historic religious buildings. Several Free Church denominations who own listed buildings are represented on the Forum, with the FCG representing the wider Free Churches. While many member Free Church denominations do not currently own listed buildings, trends in church property sales indicate that this may gradually change in the future.

The FCG promoted the National Churches Trust Survey. While participation from Free Churches was encouraging, the overall number of responses was lower than in the previous survey conducted in 2010. The survey aimed to highlight the social and community value of Christian places of worship and the report is to be published in the first quarter of 2026. Through CLAS and other forums, the FCG also contributed to consultations on the Listed Places of Worship Grant Scheme. The Government will respond in 2026.

Property matters required a greater focus over routine maintenance during the year. Work is underway in relation to the Westbury property, as the lease with the current tenant expires in the first quarter of the coming year. The property in Bognor Regis has a new tenant, and the tenancy is operating satisfactorily. The Property Manager, with whom the FCG has a contract, has been instrumental in supporting this work.

Education

During 2025, the education work of the Free Churches Group was guided by the strategy that was agreed during the previous year. The Free Church Education Committee continued to provide a forum for discussion, and for guiding aspects of the work of the Education Officer.

The Committee held a residential meeting in February, which allowed time to discuss issues in greater detail, and which focused on resourcing churches to engage with their local schools. Members of the Committee have represented the Free Churches Group in interviews with the media, and at the Religious Education Council. The Chair of the Committee, along with the Education Officer, attend termly meetings at the Department for Education, along with representatives of other faith groups with an involvement in running schools.

The Free Church Education Committee submitted evidence to several consultations from the Department for Education and the Office for Students, including the Curriculum and Assessment Review for schools in England, which published its report in November 2025. In addition, the Education Officer, in her role as Chair of the Religious Education Council of England and Wales, gave evidence about Religious Education to the House of Commons Education Select Committee. The FCG continues to support the work of Standing Advisory Councils on Religious Education, by nominating members to stand on these groups. This work is now being carried out by the Education Officer and work is underway to create a new database of SACRE contacts and relevant contacts in member churches, to streamline the process.

The Chair of the Higher Education Working Group retired during the year, and the work is now overseen by the Free Church Education Committee. Freedom of Speech has continued to be an emphasis of the Higher Education Work, following the publication of guidance by the Office for Students, and meetings have taken place with the Director of Freedom of Speech from the Office for Students. This theme was also explored at a day for chaplains, and the Director of Freedom of Speech attended to talk about the role that chaplains might have in relation to Freedom of Speech. The chaplains also heard from Revd Dr Paul Weller, who offered a theological reflection informed by Free Church values. This work will be continued during 2026 in a research partnership with the Susanna Wesley Foundation.

Education (continued)

The Education Officer has continued to support Higher Education chaplains through the work of the Churches Higher Education Liaison Group, of which she is now the secretary, and lead organiser of the annual conference. She has also become involved in UK HE Chaplains Together, a new multi-faith organisation for HE Chaplains, and is one of the facilitators of the Community of Practice, which will start to organise events and support for chaplains during 2026.

As work begins to identify the opportunities for a new interfaith organisation for England, after the closure of the Inter Faith Network the Education Officer has been invited to join a working group, with the specific purpose of focusing on ways in which interfaith relationships and community cohesion can be developed in educational settings. The production of resources for Education Sunday, which takes place on the second Sunday in September each year, continues to be managed by the Education Officer on behalf of Churches Together in England. The Education Officer continues in her role as Chair of the Religious Education Council of England and Wales. A grant from Culham St Gabriel's Trust pays for half a day a week of her time to be used in this role.

Prison chaplaincy

2025 has proven to be yet another productive year for the Free Churches Group in seeking to respond professionally to the needs of Prison Chaplains working across England and Wales.

In this year, the prison population has continued to grow, with reported resultant stresses on the needs of His Majesty's Prison and Probation Service (HMPPS) to meet the demands of serving prisoners, those on remand and particularly prison staff. During this time, we have continued to support Chaplains, Prisons, and HMPPS Chaplaincy HQ, working together to establish what has proven to be a fair and sustainable model for Faith and Belief Advisory support. Particularly, we have focused this year on three priority areas; regional training and support, recruitment alongside HMPPS, and faith endorsement of chaplains. In doing this we have ensured that prisons, and in particular Prison Chaplains are well supported, and prepared for the changes that have continued throughout 2025.

The Prison Service has continued to change, and with significant developments again in Government leadership these changes have had substantial effects on all those working in prisons. New staff are being recruited to the service, but with continuing low rates of staff retention. The combination of new staff and increased levels of violence, both against others and against self are meaning that chaplaincy work with staff is a key priority of their work.

The FCG continues to support Chaplains in the development of priorities as well as in the essential provision of faith and pastoral services to prisoners. Chaplains have often seen their role becoming focused on caring where service provision has sometimes been struggling to cope (for example in the areas of resettlement and care of those who are self-harming). As always, Chaplains have adapted well to these challenges, whilst themselves being impacted significantly by them, taking on the role of wounded healers.

2025 saw an increase in the numbers of new Free Churches Chaplains, with the FCG supporting to ensure that technically capable, experienced and suitable personnel are appointed. We continue to support HMPPS Chaplaincy HQ with in-service training for new and Managing Chaplains and offer faith specific support across the Government department in terms of Faith Awareness Training. We also, alongside Regents Theological College delivered Masters Level training to enable chaplains to best engage with the institutions they serve. In addition, we have delivered a series of Regional Days, located within prison establishments to help chaplains to reflect upon the unique aspects of their role, whilst continuing to support one another on a peer basis. This training and development has been appreciated during difficult days in prisons and feedback has been particularly encouraging.

Prison chaplaincy (continued)

Chaplains from the Free Churches in England and Wales are still particularly effective at supporting one another, recognising the need to engage effectively through the gate to reduce the cycle of re-offending and affect sustainable transformation of attitudes and behaviour.

Healthcare Chaplaincy

Through 2025, principally through the work of the Secretary for Healthcare Chaplaincy and the Healthcare Chaplaincy Steering Committee (HCSC), the Free Churches Group upheld their commitment to the delivery of safe, high quality chaplaincy care in health and social care settings.

The FCG provided a range of monthly continuing professional development opportunities to individual chaplains. Reflective practice sessions play a key part in enabling chaplains to develop their knowledge, behaviour and skill. They further offer safe space for chaplains to process effects, such as vicarious trauma, that come from accompanying people through difficult times. Having pioneered the offering of 'Pop-Up Reflective Practice' sessions in 2024, that were offered across the profession, these were continued through 2025. In recognition of different learning styles, sessions taking a more kinesthetic rather than auditory approach, were added into the rotation. Supporting evidence-based practice and research literacy, we continued to be the principal instigator and organiser of the Research First online journal club. Individually, the Secretary for Healthcare Chaplaincy provided a range of formal and informal support to chaplains through the provision of supervision, mentoring, pastoral care and interview preparation.

Contributing to the development of the profession nationally, through 2025, the Secretary for Healthcare Chaplaincy gave presentations or led workshops at Regents Theological College and the College of Health Care Chaplains Annual Study Conference, as well as leading team days for a Trust chaplaincy department.

Financial pressure is not new for the NHS. However, increased budgetary restraints due to rising operational costs, inflation, and workforce constraints are well documented. Chaplaincy departments have not been immune from this pressure. Increasingly they are being challenged to develop ways of demonstrating the benefit, impact and value of care. Against this backdrop the 2025 Annual Healthcare Chaplaincy Study Day - *Making our Cases: Using Story and Data to Demonstrate Value* - was timely. The day recognised that chaplaincy care often relates to more intangible aspects of patient and staff support, which can be difficult to quantify and measure using traditional healthcare metrics. The importance of balancing qualitative and quantitative metrics was emphasised. Alongside speaker presentations, the day included four chaplains live storytelling as a powerful reminder of how stories can connect, challenge, inspire and validate us.

Beyond its own work, the FCG contributes significantly to the healthcare chaplaincy profession at a national level through participating in the running of key healthcare chaplaincy professional bodies. Several HCSC members have critical roles as Directors of the UK Board for Healthcare Chaplaincy (UKBHC). Alongside the Secretary for Healthcare Chaplaincy, the UKBHC includes Sarah Crane, as Chair, and Janelle Kingham, who was elected vice chair in 2025 and is the registration lead. Although Janelle stepped down from her position on the Network for Pastoral, Spiritual and Religious Care in Health (the Network). We were delighted that Karen Murphy, an experienced and respected hospice chaplain, replaced Janelle as one of the Free Churches representatives on the Network. The Secretary for Healthcare Chaplaincy played a lead role in enabling a College of Health Care Chaplaincy report looking at chaplaincy leadership and what a potential leadership training programme might involve.

Healthcare Chaplaincy (continued)

Through 2025 the Free Churches Group retained its support of the development of Clinical Pastoral Education (CPE) as an educational programme for healthcare chaplaincy. As part of this, midway through the year, a long-term secondment for half a day a week to be the Professional Lead for CPE at Sheffield Teaching Hospitals was agreed for the Secretary for Healthcare Chaplaincy. A CPE open day was held in Sheffield enabling a mix of practitioners and providers of chaplaincy training to understand more about what CPE involves. The Secretary for Healthcare Chaplaincy also presented on CPE at an international conference on *Muslim Chaplaincy: Practice, Research and Recognition* in June at the University of Fribourg, Switzerland.

Looking Ahead

“Developing Chaplaincy Ministry which is a core competence of the Free Churches”

There are applications to join the FCG that will carry over into 2026, which may result in an increase in membership. There is however one Group member that may be removed for failing to effectively engage with work.

Work on the strategy for 2026-2029 will be a key priority in the New Year. The new strategy will guide the FCG work programme from 2026 to 2029. The aim is to publish the new strategy in late April 2026.

There are developments relating to the Board, with some current directors coming to the end of their terms, which will need to be managed. The Board is already preparing for this.

Managing the changing tenancies for the Westbury properties will be important to ensure seamless transitions for existing or new tenants.

The Churches Together in England Presidents will see developments as three new presidents take up their roles. The FCG Moderator will be actively involved in these developments, ensuring there is a strong Free Churches voice in the public square.

The FCG has taken on full responsibility for the Dissenting Deputies. It has been actively involved in this work, with the General Secretary acting as Secretary. Keith Salway, who has led the organisation as Chair, is retiring. He has played a significant role in continuing the work of reflecting on the Dissenting Deputies and their contribution to many of the rights won for the Free Churches. He has consistently organised an annual lecture with the support of the FCG.

These lectures will continue in the future, with the aim of attracting a wider audience. They will look back at the historic role of the Deputies while also exploring what that legacy means in contemporary times. The work of the Dissenting Deputies will remain central to the FCG work programme. Changes in the way this work is organised will seek to attract a new audience and ensure that the critical work of dissent, and the benefits secured for Free Churches in England and Wales, is remembered.

Structure, Governance and Management

The Free Church Federal Council (Incorporated) is a company limited by guarantee (company number 00364987) and a registered charity (charity number 236878). The governing instrument of the charitable company is the Memorandum and Articles of Association.

The charity is the incorporated body of, and uses the working name of, the Free Churches, an unincorporated association, whose members are representatives of its constituent denominations who subscribe to the Doctrinal Statement of the Free Churches.

Structure, Governance and Management (continued)

The members of the company are representatives of the constituent denominations who are members of the Free Churches Group, together with the officers of the Free Churches. They meet as “The Group Meeting” to identify the particular beliefs and values which are held in common and agree the company’s objectives.

The directors (who are also trustees for the purposes of charity law) are elected by the company members, seeking the necessary financial and legal skills for the task from within the constituent denominations. They are responsible for financial policy.

The directors / trustees who served during the year were:

Revd James Breslin (Chairman of the Board)
 Revd Dr Tessa Henry-Robinson Moderator from 13 April 2025)
 Revd Helen Cameron (Moderator until 13 April 2025)
 Mrs Yvonne Campbell
 Revd Deseta Davis
 Revd Trevor Howard
 Major Paul Robinson (Appointed 1 April 2025)
 Mr Eric Southwick (Treasurer)
 Revd Daniel Yarnell (Vice-Chairman of the Board)

Directors meetings are chaired by the Chairman of the Board. Those new to the work of the company meet with the General Secretary to receive an orientation on the work of the Free Churches.

The day-to-day work of the company is delegated to the General Secretary, Revd Paul Rochester, who reports directly to the Board of Directors. The officers responsible for the healthcare and prison chaplaincy, and education programmes of the Free Churches are supported by specialist committees to shape these areas of work.

Objectives and Activities

The principal object of The Free Church Federal Council (incorporated) (FCFC) is “the advancement of the Christian religion.” The furtherance of the objects takes place through the work of the Free Churches by means such as evangelistic, educational, training and business activities or other meetings as deemed necessary from time to time. Free Churches promotes faithful witness in the public square with a focus, but not solely, on chaplaincy work in Prisons, Healthcare and the Armed Forces and faith in Education.

Free Churches express the unity in Christ that is shared by Free Churches in England and Wales by promoting fellowship, shared counsel and working together to extend Christ’s kingdom in every sphere of society. This is done whilst recognising that each Group Member remains at liberty to fulfil its own distinctive witness and mission. There are currently 29 denominations and Church groups that are members of Free Churches.

Public Benefit

The Free Churches purpose is in the support of its member church denominations in their mission across England and Wales. In as much as this mission is founded in and seeks to express the unconditional love of God, the benefits of all that the Free Churches seeks to do are understood to be ‘public’ and for the benefit of the wider society. Member churches and their congregations express this through public worship and in service to the communities in which they are set.

The Free Churches upholds a right to the freedom of expression of religious faith. This has come out of a particular historical context but finds expression afresh in the current time and is understood to have application wider than the Free Churches own membership.

Public Benefit (continued)

The Free Churches particular engagement with education, health care, prisons, the Armed Forces and the legislative governance of the nation, amongst other things, is evidential of a commitment to wider society and a concern for public wellbeing.

Particular examples include:

- Engagement in the training of hospital chaplains and their on-going professional development contributes to the quality of a service offered to all patients and hospital staff and to ensure patient trust and safety.
- The support of SACRE representatives in local authorities serves to ensure the appropriate balance in religious education curricula.
- The developed Faith Endorsement criteria of Prison Chaplains ensures that both Public and Private Sector prisons are well served by a diverse range of professional ministers to work as Chaplains in prisons.

Financial Review

Income derives mainly from investment returns on both listed investments and property. This is supplemented by subscriptions from member churches and other activities. In addition, specific grants have been received, for restricted purposes, to support the work in Healthcare and Prisons. Income remained comparable to previous years apart from grant income which has increased.

Grants are made at the directors' discretion. Total expenditure has been in line with that incurred in the previous year. This has resulted in a net deficit of £129,066 (2024: £99,230) in the general fund which, together with a loss of £66,698 (2024: gain £38,354) on investments, has been transferred from reserves.

Risk Review

The directors undertake each year a wide-ranging appraisal in order to identify the major risks to which the charity is exposed. Steps are taken with a view to mitigating these risks as far as is reasonably possible.

The directors are aware that the continued financial stability of the charity relies on the continued performance and growth of the charity's investments. They believe their regular review of quoted investments, aided by information from the fund managers, largely mitigates this risk as far as possible.

Investment Powers and Policy

The investment powers of the charity are contained in the Articles of Association and include the power to appoint investment managers. The directors may invest any funds not immediately required by the charity into such securities, property and other investments as they consider greatest overall benefit to the charity, in line with the charity's objectives.

The directors' current policy is to invest in gilt edged securities or investment units with managers of common investment funds: Epworth Investment Management Limited and freehold commercial properties. Surplus funds held for the shorter term are placed in CCLA Investment Management Limited's COIF Charity Fund Deposit Account, which has consistently provided a rate of return higher than that available from a bank.

Reserves Policy

It is the policy of the directors to ensure that the charity has adequate reserves to enable it to meet both its ongoing commitments. To this end, the directors aim to hold reserves equivalent to between three and six month's on-going expenses. This would require general reserves of between £75,000 and £150,000. The Directors recognise that the current level of reserves is below that level, on 31st December 2025 there were net current liabilities and the general

Reserves Policy (continued)

reserve stood at £45,300 (2024: £124,366) including tangible fixed assets of £47,314 (2024: £55,202). The directors are reviewing ways to both reduce costs and increase income to increase the general reserve and will redeem investments, should the need arise.

Independent Examiner

Mark Heaton FCCA DChA FCIE of KM, Chartered Accountants, has been appointed as the charitable company's Independent Examiner. A resolution proposing the reappointment of Mark Heaton will be put to the Annual General Meeting.

Statement of Directors' Responsibilities

The directors, who also act as trustees, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors (who are also trustees for the purposes of charity law) to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including income and expenditure, of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board



General Secretary: Revd Paul Rochester
Date: 26th March 2026



Chair of the Board: Revd James Breslin

MEMBER DENOMINATIONS

Assemblies of God
Baptist Union of Great Britain
Baptist Union of Wales
Christ Apostolic Church
Church of God of Prophecy
Church of the Nazarene
Churches in Communities International
Congregational Federation
Council of African and Caribbean Churches UK
Countess of Huntingdon's Connexion
Elim Pentecostal Church
Fellowship of Churches of Christ
Free Church of England
Free Methodist Church
Independent Methodist Churches
Joint Council of Churches for All Nations
Methodist Church
Moravian Church
New Testament Assembly
New Testament Church of God
Old Baptist Union
Order of St Leonard
Presbyterian Church of Wales
Redeemed Christian Church of God
The Salvation Army
Undeb yr Annibynwyr Cymraeg
(Union of Welsh Independents)
United Reformed Church
Vineyard UK and Ireland
Wesleyan Reform Union

INDEPENDENT EXAMINER'S REPORT

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st December 2025 which are set out on pages 14 to 21.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.



Mark Heaton FCCA FCIE DChA

KM Chartered Accountants
1st Floor, Block C, The Wharf,
Manchester Road,
Burnley
Lancashire
BB11 1JG

Date: 26th March 2026

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

For the year ended 31st December 2025

	Notes	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Income and endowments from:					
Donations and legacies:					
Member church subscriptions		28,425	-	28,425	25,405
Donations		1,025	-	1,025	-
Charitable activities:					
Grants	2	-	14,875	14,875	21,938
Other trading activities:					
Sales		-	-	-	6,268
Rental income		49,637	-	49,637	74,072
Investments:					
UK listed investments		45,186	-	45,186	46,038
Rental properties		93,912	-	93,912	92,560
Other		431	-	431	957
Other					
Conference Fees		2,814	-	2,814	1,851
Other		4,183	-	4,183	16,716
Total		225,613	14,875	240,488	285,805
Expenditure on:					
Investment management costs:					
Property management costs		48,729	-	48,729	10,676
Charitable activities					
Grants payable	3	1,383	-	1,383	1,800
Other	3	304,567	14,875	319,442	372,559
Total		354,679	14,875	369,554	385,035
Net income / (expenditure)		(129,066)	-	(129,066)	(99,230)
Gains / (losses) on investment assets		(66,698)	-	(66,698)	38,354
Net income / (expenditure)		(195,764)	-	(195,764)	(60,876)
Net Movement in Funds		(195,764)	-	(195,764)	(60,876)
Reconciliation of funds					
Total funds brought forward		2,757,021	-	2,757,021	2,817,897
Total funds carried forward		2,561,257	-	2,561,257	2,757,021

Company Number: 00364987

BALANCE SHEET**As at 31st December 2025**

	Notes	2025		2024	
		£	£	£	£
Fixed Assets					
Tangible assets	6	47,314		55,202	
Investments	7	<u>2,515,957</u>		<u>2,632,655</u>	
			2,563,271		2,687,857
Current Assets					
Debtors	8	21,716		90,215	
Cash at bank and in hand		<u>19,926</u>		<u>8,013</u>	
		41,642		98,228	
Current Liabilities					
Amounts falling due within one year	9	<u>43,656</u>		<u>29,064</u>	
Net Current (Liabilities)/Assets			(2,014)		69,164
Net Assets			<u>2,561,257</u>		<u>2,757,021</u>
Funds					
Unrestricted:					
General unrestricted funds	10		2,561,257		2,757,021
Restricted funds	10		-		-
Total Funds			<u>2,561,257</u>		<u>2,757,021</u>

For the year ending 31st December 2025 the company was entitled to exemption from audit under section 476 and section 477 of the Companies Act 2006 relating to small companies. The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2025 in accordance with Section 476 of the Companies Act 2006.

Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the Board of Directors:



Revd Dr Tessa Henry-Robinson
Moderator

Date: 26th March 2026

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2025

1. Accounting Policies

Basis of preparation

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Donations and incoming grants

Donations and grants are accounted for when received or receivable where entitlement is demonstrable.

Investment income

Incoming resources from investments are accounted for when receivable.

Grants payable

Grants are made on behalf of the Department of Health to members of the Healthcare Chaplaincy Faith and Belief Group. Grants are also paid to support various work carried out by organisations on behalf of the churches on an ecumenical basis nationally. Grants are accounted for when paid or when there is an obligation to pay.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the Independent Examiner's fees and costs relevant to strategic management.

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each tangible fixed asset over its expected useful life as follows:

Leasehold property improvements	- straight line over the period to 31 December 2031
Furniture and equipment	- 10% / 20% / 33% straight line

Investment properties

Investment properties are stated at market value. Realised and unrealised gains are included in the Statement of Financial Activities. No depreciation is provided on investment properties. This is a departure from the requirements of the Companies Act 2006 which requires all properties to be depreciated. The directors consider that to depreciate the properties would not give a true and fair view. Depreciation is only one of the many factors reflected in the valuation and the amount which might otherwise have been shown. The investment properties

1. Accounting Policies (continued)

are maintained to a high standard and as such their residual value is expected to be not less than their cost and therefore the depreciation is immaterial to the accounts. Impairment reviews are carried out on an annual basis by the Board. The directors consider that this accounting treatment results in the financial statements giving a true and fair view.

Listed Investments

Listed investments are shown at market value. Realised and unrealised gains are disclosed in the Statement of Financial Activities.

Funds

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general fund.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs.

2. Income and endowments from Charitable Activities: Grants

	2025	2024
	£	£
Restricted Funds		
Miscellaneous - Health Care Chaplaincy	375	5,313
Methodist Church - Prison Chaplaincy	10,000	10,000
Culham St Gabriels' - Education Project	4,000	4,000
Westhill Endowment - Education Project	500	2,625
Total	<u>14,875</u>	<u>21,938</u>

3. Expenditure on: Charitable Activities

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Grants payable:				
Ministerial counselling service	1,383	-	1,383	1,300
Other	-	-	-	500
	<u>1,383</u>	<u>-</u>	<u>1,383</u>	<u>1,800</u>
Direct expenditure:				
General	187,216	-	187,216	239,445
Health Care Chaplaincy (HCC)	34,732	375	35,107	34,640
Education officers	63,735	4,500	68,235	65,534
Prison Chaplaincy	18,884	10,000	28,884	32,940
	<u>304,567</u>	<u>14,875</u>	<u>319,442</u>	<u>372,559</u>
Total	<u>305,950</u>	<u>14,875</u>	<u>320,825</u>	<u>374,359</u>

4. Directors' Emoluments and Staff Costs

Total compensation paid to key management personnel in the year amounted to £51,761 (2024: £50,746).

Staff costs during the year were:	2025	2024
	£	£
Wages and salaries	199,590	191,685
Social security costs	12,189	13,883
Pension contributions	17,341	17,674
Total	229,120	223,242

No employees received remuneration greater than £60,000.

The average number of employees during the year was:	2025	2024
	Number	Number
Direct charitable activities	4	4
Management and administration	2	2
Total	6	6

Directors' emoluments, including pension benefits, amounted to £nil (2024: £nil).

Expenses reimbursed to seven (2024: six) directors for travel, subsistence and conference expenses were £2,661 (2024: £3,485).

5. Net Income / (Expenditure)

Net incoming resources is stated after charging:	2025	2024
	£	£
Independent Examiner's Fee	2,400	2,220
Depreciation	7,888	7,888

6. Tangible Fixed Assets

	Furniture and Equipm't	Leasehold Property Improvem'ts	Total
Cost	£	£	£
At 1 January 2025	24,726	234,444	259,170
At 31 December 2025	24,726	234,444	259,170
Depreciation			
At 1 January 2025	24,726	179,242	203,968
Charge for the year	-	7,888	7,888
At 31 December 2025	24,726	187,130	211,856
Net Book Value			
At 31 December 2025	-	47,314	47,314
At 31 December 2024	-	55,202	55,202

Leasehold property improvements were effected during preceding years to the London headquarters of the company which it occupies under the terms of a lease due to expire in 2032.

7. Investments

	UK Listed Investments General Funds	Investment Properties General Funds	Total
	£	£	£
Market Value			
At 1 January 2025	1,482,655	1,150,000	2,632,655
Revaluation in the year	(66,698)	-	(66,698)
Purchased in the year	485,000	-	485,000
Redeemed in the year	(535,000)	-	(535,000)
At 31 December 2025	<u>1,365,957</u>	<u>1,150,000</u>	<u>2,515,957</u>
Historic Cost			
At 1 January 2025	1,209,755	667,881	1,877,636
Purchased in the year	485,000	-	485,000
Redemption in year	(443,713)	-	(443,713)
At 31 December 2025	<u>1,251,042</u>	<u>667,881</u>	<u>1,918,923</u>

The UK listed investments portfolio is made up of UK fixed interest stocks and equities, all quoted/listed within the UK. Investments which made up over 5% of the value of the portfolio are as follows:

	2025	2024
	%	%
COIF ethical income units	91.51	92.34
COIF property fund units	8.49	7.66

The investment properties were revalued at estimated open market value by the Directors in 2013, the directors do not believe that the market value has changed significantly since then.

8. Debtors

	2025	2024
	£	£
Trade debtors	21,288	7,296
Prepayments and accrued income	428	82,919
Total	<u>21,716</u>	<u>90,215</u>

9. Current Liabilities: Amounts Falling Due Within One Year

	2025	2024
	£	£
Accruals	2,280	2,500
Deferred rental income	16,125	10,625
Other Creditors	25,251	15,939
Total	<u>43,656</u>	<u>29,064</u>

10. Funds

	01-Jan-25	Transfers between funds	Income	Expend iture	Gains / (Losses)	31-Dec-25
	£		£			£
Unrestricted Funds:						
General reserve	124,366	50,000	225,613	(354,679)	-	45,300
Investment reserve	1,209,755	41,287	-	-	-	1,251,042
Investment revaluation reserve	272,900	(91,287)	-	-	(66,698)	114,915
Property reserve	667,881	-	-	-	-	667,881
Property revaluation	482,119	-	-	-	-	482,119
Total unrestricted	2,757,021	-	225,613	(354,679)	(66,698)	2,561,257
Restricted Funds						
Healthcare Chaplaincy	-	-	375	(375)	-	-
Prison Chaplaincy	-	-	10,000	(10,000)	-	-
Education	-	-	4,500	(4,500)	-	-
Total restricted funds	-	-	14,875	(14,875)	-	-
Total Funds	2,757,021	-	240,488	(369,554)	(66,698)	2,561,257

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as a general fund. Investments and Property assets are represented as separate funds distinguishing between cost and revaluations as these funds are not available for day-to-day expenditure.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs. During the year a grant from the Methodist Church was restricted to the costs of prison chaplaincy.

11. Analysis of Net Assets Between Funds

	Tangible Fixed Assets	Investments	Net Current Assets	Total
	£	£	£	£
Unrestricted Funds				
General unrestricted funds	47,314	2,515,957	(2,014)	2,561,257
Restricted Funds	-	-	-	-
Total Funds	47,314	2,515,957	(2,014)	2,561,257

12. Comparative Statement of Financial Activities by fund type

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Income and endowments from:			
Donations and legacies:			
Member church subscriptions	25,405	-	25,405
Charitable activities:			
Grants	-	21,938	21,938
Other trading activities:			
Sales	6,268	-	6,268
Rental income	74,072	-	74,072
Investments:			
UK listed investments	46,038	-	46,038
Rental properties	92,560	-	92,560
Other	957	-	957
Other			
Conference Fees	777	1,074	1,851
Other	16,716	-	16,716
Total	262,793	23,012	285,805
Expenditure on:			
Investment management costs:			
Property management costs	10,676	-	10,676
Charitable activities			
Grants payable	1,800	-	1,800
Other	349,547	23,012	372,559
Total	362,023	23,012	385,035
Net income / (expenditure)	(99,230)	-	(99,230)
Gains / (losses) on investment assets	38,354	-	38,354
Net income / (expenditure)	(60,876)	-	(60,876)
Net Movement in Funds	(60,876)	-	(60,876)

13. Related Parties and Control

The General Secretary had day to day control of the charity. The trustees have overall control of the charity.

Previously Eric Southwick Chartered Accountant was appointed to provide the services of Finance Officer to the charity. Eric Southwick Chartered Accountant is controlled by E Southwick, a director / trustee of The Free Church Federal Council (Incorporated). E Southwick declared his interest in Eric Southwick Chartered Accountant and was absent from discussions and took no part in the decision to appoint Eric Southwick Chartered Accountant. The remaining directors were satisfied that it was in the best interests of The Free Church Federal Council (Incorporated) to appoint Eric Southwick Chartered Accountant and did so under the authority provided within the company's Articles of Association. The cost of these services in the year was £13,585.

THE FREE CHURCH FEDERAL COUNCIL (INCORPORATED)

England & Wales - Charity number 236878

Accounts



ANNUAL REPORT 2024

Free Church Federal Council (Incorporated)

Email: fcg@freechurches.org.uk

Website: <https://www.freechurches.org.uk/>

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COMPANY INFORMATION

Company number	00364987
Charity number	236878
Directors / Trustees (as at date of report)	Revd Helen Cameron (Moderator until 13 April 2025) Revd Dr Tessa Henry-Robinson (Moderator from 13 April 2025, appointed 01 June 2024) Revd James Breslin (Chairman of the Board) Mr Eric Southwick (Treasurer) Mrs Yvonne Campbell Revd Deseta Davis Lieutenant Colonel Jonathan Roberts (Resigned 30 April 2024) Revd Trevor Howard Revd Dr Hugh Osgood (Resigned 31 March 2024) Revd Daniel Yarnell (Vice-Chairman of the Board)
General Secretary	Revd Paul Rochester
Registered Office	27 Tavistock Square, London, WC1H 9HH.
Bankers	CAF Bank Limited 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ.
Solicitors	Ashtons Legal Waterfront House, Wherry Quay, Ipswich, Suffolk, IP4 1AS.
Independent Examiner	Mark Heaton FCCA DChA FCIE K M 1st Floor, Block C, The Wharf, Manchester Road, Burnley, Lancashire, BB11 1JG.
Fund Managers	CCLA Investment Management Ltd COIF Charity Funds 85 Queen Victoria Street, London, EC4V 4ET.

DIRECTORS' REPORT

The Trustees present their annual report with the accounts for the year ended 31 December 2024. The accounts comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association, Financial Reporting Standard 102 and follow the recommendations in 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).

PROMOTING WITNESS IN THE PUBLIC SQUARE

Chaplaincy: A Core Focus

Chaplaincy remained the primary area of work for the Free Churches Group (FCG). Two large denominations, the Redeemed Christian Church of God and Vineyard UK and Ireland, joined the FCG, bringing additional value to its mission. Both denominations are eager to contribute to chaplaincy work, aligning well with the FCG's core focus.

The FCG continued to implement its 2023-2026 Strategy, which prioritises the following aims:

1. Support Free Church Chaplains in core sectors.
2. Advocate for justice and equality through a Free Church voice in the public square.
3. Expand engagement with Free Church denominations and local churches.
4. Engage confidently in the ecumenical efforts to support the full range of its membership.

To optimise opportunities, the FCG remained committed to enabling ordained/accredited ministers and laypeople from Free Churches, to access available posts in the core chaplaincy sectors. The development of the Chaplaincy Hub has proven beneficial for chaplains, churches and other stakeholders. The ongoing Chaplaincy Podcasts are increasing understanding of the role and value chaplaincy.

Armed Forces Chaplaincy

The FCG completed the work with the Ministry of Defence and is now a member of the United Board. There was limited promotion of Armed Forces chaplaincy across those denominations who registered under the expanded arrangements with the Ministry of Defence. In 2025, the FCG will seek to work closely with those Free Church denominations/groups who have served in military chaplaincy for many years, to strengthen this area of work.

The Armed Forces continue to face vacancies and are actively seeking suitable candidates. As a member of the United Board, the FCG now has the opportunity to encourage its members to identify and support ministers called to this ministry. Eight Group members have already registered, with more expected to join. The FCG will launch a campaign in 2025 to promote Armed Forces chaplaincy, aiming to engage a new generation of chaplains.

Other business

The FCG supported the work of the Council of Christian and Jews (CCJ), with the Moderator serving as CCJ President and the General Secretary supporting various events. This work was particularly significant amid the conflict in Gaza. CCJ seeks to foster meaningful engagement between communities, challenging prejudice and promoting understanding. Many of the Free Church denominations also advocated for urgent action to address the humanitarian crisis in Gaza.

The UK elected a new Government in 2024. The FCG collaborated with other groups to ensure that the Free Church voice was heard in response to new government policies, particularly in its core sectors of business. The FCG membership of the Churches' Legislation Advisory Service has been helpful in supporting this work.

Other business (continued)

The FCG has also continued its involvement in the Churches Ministerial Counselling Service, which offers crucial support for ministers and their families.

New initiatives include supporting Free Church denominations/groups that have congregations worshipping in listed historic buildings, who currently do not engage with Historic England. As the larger Free Church denominations, who are part of the Places of Worship Forum, reorganise and sell buildings, more denominations may be affected. The FCG seeks to ensure that those eligible for the Government Grant Scheme receive information and guidance, and listed buildings of special architectural or historic interest are maintained and their historic nature understood and celebrated.

Additionally, we are planning a seminar, in collaboration with Eurodiaconia, to explore Artificial Intelligence (AI) and ethics, within the context of denominations and local congregations. The provisional date for this workshop is set and it is hoped it will lead to ongoing conversation across the Free Churches as the technology evolves. Free Churches need to consider the implications of AI on ministry, social action and broader church activities.

Education

During 2024, the work continued to be shaped by the Free Church Education Committee (FCEC), with representatives from a range of Free Church denominations. The committee welcomed two new members with experience in Further Education management and school chaplaincy, respectively.

The Free Church Education Committee developed a new strategy, identifying its key impact areas, as follows:

1. **Resourcing and facilitating** members of the Free Churches Group to engage with and support education in schools, colleges and universities, both locally and nationally
2. **Campaigning and advocating** for Free Church values in education
3. **Acting to secure change in education policy and practice** in specific areas, informed by our Free Church values.
4. **Building partnerships** with individual denominations/groups and organisations
5. **Developing a fit-for-purpose, skilled and sustainable committee and working groups.**

Alongside the strategy, the group has written a workplan, prioritising areas of work that help the FCG to achieve maximum impact in each of the areas.

In the course of the year, the FCEC responded to the call for evidence launched by the independent panel of the Curriculum and Assessment Review, which will make recommendations about the future shape of the National Curriculum.

The FCEC published a series of resources to help members of Free Churches to think through the education issues that might be discussed in the campaigns surrounding the General Election. These resources explored issues connected with schools, further and higher education and were made available on the FCG website.

The FCG continues to support the work of Standing Advisory Councils on Religious Education, by nominating Free Church members to serve on these groups. SACRE members are also welcome to seek advice from the FCEC or the Education Officer.

The Higher Education Working Group continued to provide specialist input and work on specific projects connected with HE. Following its earlier work on Freedom of Speech in Higher Education, the committee began a project aimed at resourcing HE chaplains to work within the freedom of speech policy environment in their universities, in partnership with academics from Southlands College at Roehampton University, and the University of Coventry. The focal point of this work was a day in November, where a group of around 20 chaplains from a range of universities met to explore the issues around freedom of speech, to

Education (continued)

share experiences and to identify ways in which FCG could support chaplains to navigate this territory. Over the next year, the team will develop resources and explore the possibility of holding regional events for chaplains.

In addition to the work supporting Free Church chaplains, the Education Officer has worked with the Churches Higher Education Liaison Group, the ecumenical body for HE chaplains. She is a member of the CHELG committee and helped organise the annual conference.

The Education Officer has supported other member churches and groups. This includes contributing to an ecumenical resource to help churches organise visits from school groups, and membership of the Methodist *Flourish Schools* team, which aims to help churches build relationships with their local schools. She also co-ordinated the development of resources for the annual celebration of Education Sunday.

The Education Officer has continued to attend the termly meetings of the Department for Education's *Faith Providers' Group*, ensuring that the Free Churches have a voice in this forum.

The FCEC continues as a member of the Religious Education Council, and the Education Officer was re-elected as its Chair at the AGM in 2024, serving for a further 3 years from September, 2024. Culham St Gabriel's continues to provide funding to release her from her FCG work for half a day a week in order to allow her to carry out duties for the REC.

Prison chaplaincy

There were many changes in both the overall Prison Service and in the specific area of Prison Chaplaincy in 2024. The FCG has been delighted this year to share responsibility for the Faith and Belief advice for Free Churches chaplaincy with HM Prison and Probation Service (HMPPS). The FCG look forward to developing this partnership as the roles of HMPPS Faith and Belief Advisor, and Free Churches Secretary for Prison Chaplaincy become more established in the Faith Endorsement, and the support and training of prison chaplains from the Free Churches. It has been encouraging to welcome a new Justice Secretary and Prisons Minister into government, both of whom have pointed to reducing prison numbers through encouraging desistance from crime through evidence based rehabilitation.

The FCG Secretary for Prison Chaplaincy continues to respond professionally to the needs of Free Church prison chaplains working across England and Wales, as the demands of serving prisoners and prison staff have escalated. Increases in the prisoner population, high staff turnover and increasingly complex issues faced by chaplains mean that the daily work of a prison chaplain is ever-more valuable and valued, as they meet the needs of those who live and work in prison. The three priority areas of focus this year have been: training, recruitment and the faith endorsement of chaplains. In doing this we have ensured that prisons, and in particular prison chaplains, are supported and prepared for the changes that will continue throughout 2025.

The FCG continues to support chaplains in the development of priorities and in helping those working in these complex environments to do so professionally. Chaplains have often seen their role becoming focused on filling gaps where service provision has been struggling to cope, for example, in the areas of resettlement and care of those who are self-harming. As always, chaplains have adapted well to these challenges, coping with the significant impact on themselves, and effectively taking on the role of wounded healers.

The Free Churches Secretary for Prison Chaplaincy continued to support HMPPS Chaplaincy HQ with in-service training for new Managing Chaplains, offering faith specific support in terms of Faith Awareness Training. In 2024, he hosted a National Training event for Free Church prison chaplains, volunteer and paid, focussing on the need to live and serve with gentleness

Prison chaplaincy (continued)

and respect. Alongside Regents Theological College, he delivered Masters Level training to enable chaplains to best engage with the institutions they serve. This training and development have been appreciated and feedback has been particularly encouraging. Chaplains from the Free Churches in England and Wales are still particularly effective at supporting one another, recognising the need to engage effectively through the gate in order to reduce the cycle of re-offending.

Healthcare Chaplaincy

In 2024, with well documented pressures on health and social care provision, the support that the FCG provides to chaplains remained as important as ever.

Reflective practice is recognised as one of the four domains of healthcare chaplaincy competence within the UK Board of Healthcare Chaplaincy (UKBHC) documentation. Through reflecting on practice chaplains not only develop and inform their professional practice but are also able to process the empathetic effect of care. Recognising its role in both offering safe space to explore the emotional effects as well as developing high quality, safe, effective pastoral, spiritual and religious care, the FCG played a leading role in the development of monthly 'Pop-Up Reflective Practice' sessions that are offered across the profession.

Alongside reflective practice, through 2024 the year the FCG continued to offer a range of CPD opportunities for chaplains. The three *Nourishing Roots* sessions held across the year provided space for chaplains to reflect and deepen their spiritual motivation and resourcing for the roles they carry out. Chaplaincy is sometimes described in terms of liminality and marginality. The 2024 Study day made creative use of art, story and research to explore the joys, frustrations, opportunities and challenges that being 'on the edge' can bring. Further opportunities for study and learning were provided through the monthly Research First online journal club sessions that the FCG is the driving force behind.

The Secretary for Healthcare Chaplaincy maintained the provision of supervision, mentoring, and pastoral support to a number of individual chaplains through the year. Successful support in relation to selection processes, in particular interview practice, was provided to those looking to move into the profession as well as those applying for leadership roles.

The FCG continues to contribute to healthcare chaplaincy at a national level. Alongside other faith and belief groups, in early 2024 we wrote to Sue Ryder to express our concern at their decision to no longer provide specialist chaplaincy care as part of the services your hospices provide. FCG chaplains, including members of the Healthcare Chaplaincy Steering Committee (HCSC), serve in key roles within the College of Health Care Chaplains, the UKBHC and the Network for Pastoral, Spiritual and Religious Care in Health (the Network). Strengthen our voice and contribution nationally, the FCG was delighted that through 2024 HCSC members Janelle Kingham and Sarah Crane were elected as vice chair of the Network and chair of the UKBHC respectively. While not its primary function, their appointments underline the value of the committee as a nurturing ground for chaplains interested in developing a national leadership profile.

Through 2024 the FCG maintained its support of the development of Clinical Pastoral Education (CPE) as a training route for healthcare chaplaincy. The Secretary for Healthcare Chaplaincy successfully applied for a temporary post at Sheffield Teaching Hospital and was released for one day a week for the second half of the year to be their Professional Lead for CPE accelerating the work of developing an Association for the Advancement of CPE within the UK. The Secretary for Healthcare Chaplaincy was a co-author on a published peer reviewed paper presenting the findings of research carried out in relation to the first pilot unit of CPE run in 2023.

Healthcare Chaplaincy (continued)

Individually, throughout 2024, FCG chaplains have contributed to the development of the profession, presented on a variety of topics or led workshops at a broad range of conferences and educational programmes. These have included sessions at the College of Health Care Chaplains Annual Conference, courses run by the Network and Regents Theological College as well as presentations at the European Network of Healthcare Chaplains Consultation in Prague.

Looking Ahead

“Developing Chaplaincy Ministry which is a core competence of the Free Churches”

The Revd Dr. Tessa Henry-Robinson assumed the role of the FCG Moderator on April 13th, 2025, in an induction service in London. The FCG extends its gratitude to Revd Helen Cameron for her dedicated service during a historic period, which included representing the Free Churches at national ceremonies marking His Majesty King Charles III accession to the throne. Helen Cameron was fully engaged for the first quarter of 2025 as she has several engagements and commitments to meet, including representing the Free Churches at the Churches Together Forum along with the other CTE Presidents.

In 2025, the FCG will focus on building on our chaplaincy work across the core sectors: Prisons, Healthcare, Education and the Armed Forces. The Chaplaincy Hub will continue to be a vital resource for current and aspiring chaplains.

The FCG will engage with government and other organisations to advocate on issues related to its core area of work and wider issues such as justice, equality, and support for the poor and marginalised. We will encourage FCG Group members to contribute their knowledge and gifts to support the wider group in fostering Christian unity and oneness.

Structure, Governance and Management

The Free Church Federal Council (Incorporated) is a company limited by guarantee (company number 00364987) and a registered charity (charity number 236878). The governing instrument of the charitable company is the Memorandum and Articles of Association.

The charity is the incorporated body of, and uses the working name of, the Free Churches, an unincorporated association, whose members are representatives of its constituent denominations who subscribe to the Doctrinal Statement of the Free Churches.

The members of the company are representatives of the constituent denominations who are members of the Free Churches Group, together with the officers of the Free Churches. They meet as “The Group Meeting” to identify the particular beliefs and values which are held in common and agree the company’s objectives.

The directors (who are also trustees for the purposes of charity law) are elected by the company members, seeking the necessary financial and legal skills for the task from within the constituent denominations. They are responsible for financial policy.

Structure, Governance and Management (continued)

The directors / trustees who served during the year were:

Revd James Breslin (Chairman of the Board)
 Revd Helen Cameron (Moderator until 13 April 2025)
 Revd Dr Tessa Henry-Robinson Moderator from 13 April 2025, appointed 01 June 2024)
 Mrs Yvonne Campbell
 Revd Deseta Davis
 Lieutenant Colonel Jonathan Roberts (Resigned 30 April 2024)
 Revd Trevor Howard
 Revd Dr Hugh Osgood (Resigned 31 March 2024)
 Mr Eric Southwick (Treasurer)
 Revd Daniel Yarnell (Vice-Chairman of the Board)

Directors meetings are chaired by the Chairman of the Board. Those new to the work of the company meet with the General Secretary to receive an orientation on the work of the Free Churches.

The day-to-day work of the company was delegated to the General Secretary, Revd Paul Rochester, who reported directly to the Board of Directors. The officers responsible for the healthcare and prison chaplaincy, and education programmes of the Free Churches are supported by specialist committees to shape these areas of work.

Objectives and Activities

The principal object of The Free Church Federal Council (incorporated) (FCFC) is “the advancement of the Christian religion.” The furtherance of the objects takes place through the work of the Free Churches by means such as evangelistic, educational, training and business activities or other meetings as deemed necessary from time to time. Free Churches promotes faithful witness in the public square with a focus, but not solely, on chaplaincy work in Prisons and Healthcare and faith in Education.

Free Churches express the unity in Christ that is shared by Free Churches in England and Wales by promoting fellowship, shared counsel and working together to extend Christ’s kingdom in every sphere of society. This is done whilst recognising that each Group Member remains at liberty to fulfil its own distinctive witness and mission. There are currently 26 denominations and Church groups that are members of Free Churches.

Public Benefit

The Free Churches purpose is in the support of its member church denominations in their mission across England and Wales. In as much as this mission is founded in and seeks to express the unconditional love of God, the benefits of all that the Free Churches seeks to do are understood to be ‘public’ and for the benefit of the wider society. Member churches and their congregations express this through public worship and in service to the communities in which they are set.

The Free Churches upholds a right to the freedom of expression of religious faith. This has come out of a particular historical context but finds expression afresh in the current time and is understood to have application wider than the Free Churches own membership.

The Free Churches particular engagement with education, health care, prisons and the legislative governance of the nation, amongst other things, is evidential of a commitment to wider society and a concern for public wellbeing.

Public Benefit (continued)

Particular examples include:

- Engagement in the training of hospital chaplains and their on-going professional development contributes to the quality of a service offered to all patients and hospital staff and to ensure patient trust and safety.
- The support of SACRE representatives in local authorities serves to ensure the appropriate balance in religious education curricula.
- The developed Faith Endorsement criteria of Prison Chaplains ensures that both Public and Private Sector prisons are well served by a diverse range of professional ministers to work as Chaplains in prisons.

Financial Review

Income derives mainly from investment returns on both listed investments and property. This is supplemented by subscriptions from member churches and other activities. In addition, specific grants have been received, for restricted purposes, to support the work in Healthcare and Prisons. Income remained comparable to previous years apart from grant income which has increased. Grants are made at the directors' discretion.

Total expenditure has been in line with that incurred in the previous year. This has resulted in a net deficit of £99,230 (2023: £77,010) in the general fund which, together with a gain of £38,354 (2023: £118,747) on investments, has been transferred from reserves.

Risk Review

The directors undertake each year a wide-ranging appraisal in order to identify the major risks to which the charity is exposed. Steps are taken with a view to mitigating these risks as far as is reasonably possible.

The directors are aware that the continued financial stability of the charity relies on the continued performance and growth of the charity's investments. They believe their regular review of quoted investments, aided by information from the fund managers, largely mitigates this risk as far as possible.

Investment Powers and Policy

The investment powers of the charity are contained in the Articles of Association and include the power to appoint investment managers. The directors may invest any funds not immediately required by the charity into such securities, property and other investments as they consider greatest overall benefit to the charity, in line with the charity's objectives.

The directors' current policy is to invest in gilt edged securities or investment units with managers of common investment funds: Epworth Investment Management Limited and freehold commercial properties. Surplus funds held for the shorter term are placed in CCLA Investment Management Limited's COIF Charity Fund Deposit Account, which has consistently provided a rate of return higher than that available from a bank.

Reserves Policy

It is the policy of the directors to ensure that the charity has adequate reserves to enable it to meet both its ongoing commitments in respect of general charitable activities and its future funding requirements. The directors have assessed this with the aim of achieving reserves equivalent to three to six month's on-going expenses plus any known existing and future liabilities. This would require general reserves of between £75,000 and £150,000. General reserves as at 31 December 2024 stood at £124,366 (2023: £173,596) including tangible fixed assets of £55,202 (2023: £63,090).

The charitable activities are largely financed from the yield on invested reserves. It is the long-term policy of the board to maintain the real value of invested reserves and apply their annual yield (interest, dividends, rents and a proportion of any growth in value) to funding the work of

Reserves Policy (continued)

the Free Churches. The directors consider the level of reserves at the year-end to be sufficient for the current requirements of the charity but will continue to review the overall position and policy at regular intervals.

Independent Examiner

Mark Heaton FCCA DChA FCIE of KM, Chartered Accountants, has been appointed as the charitable company's Independent Examiner. A resolution proposing the reappointment of Mark Heaton will be put to the Annual General Meeting.

Statement of Directors' Responsibilities

The directors, who also act as trustees, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors (who are also trustees for the purposes of charity law) to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including income and expenditure, of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board

General Secretary: Revd Paul Rochester



Chair of the Board: Revd James Breslin

Date: 18th June 2025



MEMBER DENOMINATIONS

Assemblies of God
Baptist Union of Great Britain
Baptist Union of Wales
Christ Apostolic Church
Church of God of Prophecy
Church of the Nazarene
Churches in Communities International
Congregational Federation
Council of African and Caribbean Churches UK
Countess of Huntingdon's Connexion
Elim Pentecostal Church
Fellowship of Churches of Christ
Free Church of England
Free Methodist Church
Independent Methodist Churches
Joint Council of Churches for All Nations
Methodist Church
Moravian Church
New Testament Assembly
New Testament Church of God
Old Baptist Union
Order of St Leonard
Presbyterian Church of Wales
Redeemed Christian Church of God
The Salvation Army
Undeb yr Annibynwyr Cymraeg
(Union of Welsh Independents)
United Reformed Church
Vineyard UK and Ireland
Wesleyan Reform Union

INDEPENDENT EXAMINER'S REPORT

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st December 2024 which are set out on pages 14 to 22.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

Mark Heaton FCCA FCIE DChA

KM Chartered Accountants
1st Floor, Block C, The Wharf,
Manchester Road,
Burnley
Lancashire
BB11 1JG

Date: 18th June 2025

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

For the year ended 31st December 2024

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Income and endowments from:					
Donations and legacies:					
Member church subscriptions		25,405	-	25,405	23,062
Charitable activities:					
Grants	2	-	21,938	21,938	19,250
Other trading activities:					
Sales		6,268	-	6,268	-
Rental income		74,072	-	74,072	70,553
Investments:					
UK listed investments		46,038	-	46,038	47,059
Rental properties		92,560	-	92,560	92,500
Other		957	-	957	1,180
Other					
Conference Fees		777	1,074	1,851	575
Other		16,716	-	16,716	4,190
Total		262,793	23,012	285,805	258,369
Expenditure on:					
Investment management costs:					
Property management costs		10,676	-	10,676	3,777
Charitable activities					
Grants payable	3	1,800	-	1,800	1,294
Other	3	349,547	23,012	372,559	330,308
Total		362,023	23,012	385,035	335,379
Net income / (expenditure)		(99,230)	-	(99,230)	(77,010)
Gains / (losses) on investment assets		38,354	-	38,354	118,747
Net income / (expenditure)		(60,876)	-	(60,876)	41,737
Net Movement in Funds		(60,876)	-	(60,876)	41,737
Reconciliation of funds					
Total funds brought forward		2,817,897	-	2,817,897	2,776,160
Total funds carried forward		2,757,021	-	2,757,021	2,817,897

BALANCE SHEET

As at 31st December 2024

	Notes	2024		2023	
		£	£	£	£
Fixed Assets					
Tangible assets	6	55,202		63,090	
Investments	7	<u>2,632,655</u>		<u>2,644,301</u>	
			2,687,857		2,707,391
Current Assets					
Debtors	8	90,215		109,458	
Cash at bank and in hand		<u>8,013</u>		<u>51,956</u>	
		98,228		161,414	
Current Liabilities					
Amounts falling due within one year	9	<u>29,064</u>		<u>50,908</u>	
Net Current Assets			69,164		110,506
Net Assets			<u>2,757,021</u>		<u>2,817,897</u>
Funds					
Unrestricted:					
General unrestricted funds	10		2,757,021		2,817,897
Restricted funds	10		-		-
Total Funds			<u>2,757,021</u>		<u>2,817,897</u>

For the year ending 31st December 2024 the company was entitled to exemption from audit under section 476 and section 477 of the Companies Act 2006 relating to small companies. The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006.

Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the Board of Directors:



Revd Dr Tessa Henry-Robinson
Moderator

18th June 2025

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2024

1. Accounting Policies

Basis of preparation

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Donations and incoming grants

Donations and grants are accounted for when received or receivable where entitlement is demonstrable.

Investment income

Incoming resources from investments are accounted for when receivable.

Grants payable

Grants are made on behalf of the Department of Health to members of the Healthcare Chaplaincy Faith and Belief Group. Grants are also paid to support various work carried out by organisations on behalf of the churches on an ecumenical basis nationally. Grants are accounted for when paid or when there is an obligation to pay.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the Independent Examiner's fees and costs relevant to strategic management.

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each tangible fixed asset over its expected useful life as follows:

Leasehold property improvements	- straight line over the period to 31 December 2031
Furniture and equipment	- 10% / 20% / 33% straight line

Investment properties

Investment properties are stated at market value. Realised and unrealised gains are included in the Statement of Financial Activities. No depreciation is provided on investment properties. This is a departure from the requirements of the Companies Act 2006 which requires all properties to be depreciated. The directors consider that to depreciate the properties would not give a true and fair view. Depreciation is only one of the many factors reflected in the valuation and the amount which might otherwise have been shown. The investment properties

1. Accounting Policies (continued)

are maintained to a high standard and as such their residual value is expected to be not less than their cost and therefore the depreciation is immaterial to the accounts. Impairment reviews are carried out on an annual basis by the Board. The directors consider that this accounting treatment results in the financial statements giving a true and fair view.

Listed Investments

Listed investments are shown at market value. Realised and unrealised gains are disclosed in the Statement of Financial Activities.

Funds

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general fund.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs.

2. Income and endowments from Charitable Activities: Grants

	2024	2023
Restricted Funds	£	£
Miscellaneous - Health Care Chaplaincy	5,313	5,250
Methodist Church - Prison Chaplaincy	10,000	10,000
Culham ST Gabriels's - Education Project	4,000	4,000
Westhill Endowment - Education Project	2,625	-
Total	<u>21,938</u>	<u>19,250</u>

3. Expenditure on: Charitable Activities

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Grants payable:				
Ministerial counselling service	1,300	-	1,300	1,294
Direct expenditure:				
General	239,445	-	239,445	181,039
Health Care Chaplaincy (HCC)	28,842	5,798	34,640	37,498
Education officers	58,909	6,625	65,534	63,513
Prison Chaplaincy	22,351	10,589	32,940	48,258
	<u>349,547</u>	<u>23,012</u>	<u>372,559</u>	<u>330,308</u>
Total	<u>350,847</u>	<u>23,012</u>	<u>373,859</u>	<u>331,602</u>

4. Directors' Emoluments and Staff Costs

Total compensation paid to key management personnel in the year amounted to £50,746 (2023: £46,045).

Staff costs during the year were:	2024	2023
	£	£
Wages and salaries	191,685	202,634
Social security costs	13,883	14,535
Pension contributions	17,674	18,915
Total	223,242	236,084

No employees received remuneration greater than £60,000.

The average number of employees during the year was:	2024	2023
	Number	Number
Direct charitable activities	4	4
Management and administration	2	2
Total	6	6

Directors' emoluments, including pension benefits, amounted to £nil (2023: £nil).

Expenses reimbursed to six (2023: five) directors for travel, subsistence and conference expenses were £3,485 (2023: £4,311).

5. Net Income / (Expenditure)

Net incoming resources is stated after charging:	2024	2023
	£	£
Independent Examiner's Fee	2,220	2,160
Depreciation	7,888	7,888

6. Tangible Fixed Assets

	Furniture and Equipm't	Leasehold Property Improvem't	Total
Cost	£	£	£
At 1 January 2024	24,726	234,444	259,170
At 31 December 2024	24,726	234,444	259,170
Depreciation			
At 1 January 2024	24,726	171,354	196,080
Charge for the year	-	7,888	7,888
At 31 December 2024	24,726	179,242	203,968
Net Book Value			
At 31 December 2024	-	55,202	55,202
At 31 December 2023	-	63,090	63,090

Leasehold property improvements were effected during preceding years to the London headquarters of the company which it occupies under the terms of a lease due to expire in 2032.

7. Investments

	UK Listed Investments General Funds	Investment Properties General Funds	Total
	£	£	£
Market Value			
At 1 January 2024	1,494,301	1,150,000	2,644,301
Increase on revaluation in year	38,354	-	38,354
Redeemed in year	(50,000)	-	(50,000)
At 31 December 2024	<u>1,482,655</u>	<u>1,150,000</u>	<u>2,632,655</u>
Historic Cost			
At 1 January 2024	1,249,254	667,881	1,917,135
Redemption in year	(39,499)	-	(39,499)
At 31 December 2024	<u>1,209,755</u>	<u>667,881</u>	<u>1,877,636</u>

The UK listed investments portfolio is made up of UK fixed interest stocks and equities, all quoted/listed within the UK. Investments which made up over 5% of the value of the portfolio are as follows:

	2024	2023
	%	%
COIF ethical income units	92.34	92.44
COIF property fund units	7.66	7.56

The investment properties were revalued at estimated open market value by the Directors in 2013, the directors do not believe that the market value has changed significantly since then.

8. Debtors

	2024	2023
	£	£
Trade debtors	7,296	20,337
Prepayments and accrued income	82,919	89,121
Total	<u>90,215</u>	<u>109,458</u>

9. Current Liabilities: Amounts Falling Due Within One Year

	2024	2023
	£	£
Accruals	2,500	2,500
Deferred rental income	10,625	10,625
Other Creditors	15,939	37,783
Total	<u>29,064</u>	<u>50,908</u>

10. Funds

	01-Jan-24	Transfers between funds	Income	Expend iture	Gains / (Losses)	31-Dec-24
	£		£			£
Unrestricted Funds:						
General reserve	173,596	50,000	262,793	(362,023)	-	124,366
Investment reserve	1,249,254	(39,499)	-	-	-	1,209,755
Investment revaluation reserve	245,047	(10,501)	-	-	38,354	272,900
Property reserve	667,881	-	-	-	-	667,881
Property revaluation	482,119	-	-	-	-	482,119
Total unrestricted	2,817,897	-	262,793	(362,023)	38,354	2,757,021
Restricted Funds						
Healthcare Chaplaincy	-	-	5,798	(5,798)	-	-
Prison Chaplaincy	-	-	10,589	(10,589)	-	-
Education	-	-	6,625	(6,625)	-	-
Total restricted	-	-	23,012	(23,012)	-	-
Total Funds	2,817,897	-	285,805	(385,035)	38,354	2,757,021

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as a general fund. Investments and Property assets are represented as separate funds distinguishing between cost and revaluations as these funds are not available for day-to-day expenditure.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs. During the year a grant from the Methodist Church was restricted to the costs of prison chaplaincy.

11. Analysis of Net Assets Between Funds

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Unrestricted Funds				
General unrestricted funds	55,202	2,632,655	69,164	2,757,021
Restricted Funds	-	-	-	-
Total Funds	55,202	2,632,655	69,164	2,757,021

12. Comparative Statement of Financial Activities by fund type

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Income and endowments from:			
Donations and legacies:			
Member church subscriptions	23,062	-	23,062
Charitable activities:			
Grants	-	19,250	19,250
Other trading activities:			
Sales	-	-	-
Rental income	70,553	-	70,553
Investments:			
UK listed investments	47,059	-	47,059
Rental properties	92,500	-	92,500
Other	1,180	-	1,180
Other			
Conference Fees	326	249	575
Other	3,340	850	4,190
Total	238,020	20,349	258,369
Expenditure on:			
Investment management costs:			
Property management costs	3,777	-	3,777
Charitable activities			
Grants payable	1,294	-	1,294
Other	309,959	20,349	330,308
Total	315,030	20,349	335,379
Net income / (expenditure)	(77,010)	-	(77,010)
Gains / (losses) on investment assets	118,747	-	118,747
Net income / (expenditure)	41,737	-	41,737
Net Movement in Funds	41,737	-	41,737

13. Related Parties and Control

The General Secretary had day to day control of the charity. The trustees have overall control of the charity.

Previously Eric Southwick Chartered Accountant was appointed to provide the services of Finance Officer to the charity. Eric Southwick Chartered Accountant is controlled by E Southwick, a director / trustee of The Free Church Federal Council (Incorporated). E Southwick declared his interest in Eric Southwick Chartered Accountant and was absent from discussions and took no part in the decision to appoint Eric Southwick Chartered Accountant. The remaining directors were satisfied that it was in the best interests of The Free Church Federal Council (Incorporated) to appoint Eric Southwick Chartered Accountant and did so under the authority provided within the company's Articles of Association. The cost of these services in the year was £13,505.

THE FREE CHURCH FEDERAL COUNCIL (INCORPORATED)

England & Wales - Charity number 236878

Accounts



ANNUAL REPORT 2022

Free Church Federal Council (Incorporated)

Email: fcg@freechurches.org.uk

Website: <https://www.freechurches.org.uk/>

27 Tavistock Square,
London, WC1H 9HH
Tel: 0203 651 8338

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COMPANY INFORMATION

Company number	00364987
Charity number	236878
Directors / Trustees (as at date of report)	Revd Helen Cameron (Moderator) Revd James Breslin (Chairman of the Board) Mr Eric Southwick (Treasurer) Pastor Joshua Bandele Mrs Yvonne Campbell Revd Deseta Davis Major David Evans Revd Trevor Howard Revd Dr Hugh Osgood Revd Christopher Whiteley Revd Daniel Yarnell (Vice-Chairman of the Board)
General Secretary	Revd Paul Rochester
Registered Office	27 Tavistock Square, London, WC1H 9HH.
Bankers	CAF Bank Limited 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ.
Solicitors	Ashtons Legal Waterfront House, Wherry Quay, Ipswich, Suffolk, IP4 1AS.
Independent Examiner	Mark Heaton FCCA DChA FCIE K M 1st Floor, Block C, The Wharf, Manchester Road, Burnley, Lancashire, BB11 1JG.
Fund Managers	CCLA Investment Management Ltd COIF Charity Funds 85 Queen Victoria Street, London, EC4V 4ET.

DIRECTORS' REPORT

The Trustees present their annual report with the accounts for the year ended 31 December 2022. The accounts comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association, Financial Reporting Standard 102 and follow the recommendations in 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).

PROMOTING WITNESS IN THE PUBLIC SQUARE

Strategic Highlights

The operating arm of the Free Church Federal Council (Incorporated), the Free Churches Group, (FCG) continued to pursue its strategic aims to provide information and support to Free Churches, Free Churches' chaplains and to promote the Free Church voice in the public square.

The FCG faced challenging times because of the economic downturn and adapting to the post pandemic situation. There was a continued focus to develop new ways to deliver the business objectives, for example, building on the use of electronic platforms for meeting and conferences.

At the beginning of April 2022, we saw the new Moderator of the FCG, Reverend Canon Helen Cameron, take up post. The Board and Group members expressed their gratitude to Reverend Hugh Osgood for leading the FCG through a time of transition and supporting significant developments over his two terms (8 Years). Helen Cameron was particularly busy in the first nine months. She was privileged to be invited to and participate in the funeral service of the late Queen to represent the Free Churches. Along with this, Helen also participated in several other events in her role as the Moderator of the FCG.

Work in relation to chaplaincy continues to be a core focus for the FCG. We held a successful webinar exploring part-time chaplaincy roles and, across the prison, healthcare and education sectors, Free Churches' chaplains were supported through a range of webinars, conferences and individual pastoral support. The numbers of Free Churches' Prison Chaplains and Managing Chaplains remained roughly the same. His Majesty's Prison and Probation Service (HMPPS) continued to recognise the significant role that the Free Church Faith Adviser for Prison Chaplaincy plays and there were fresh discussions with HMPPS about financial support for the role. There are no statutory endorsement requirements within healthcare or education, but our list of Higher Education Chaplains developed and the Directory of Free Church Health and Social Care Chaplains maintained. Updated guidance on best practice for NHS Trusts around endorsement was published in early 2022 with significant input from the FCG. Throughout 2022, the FCG Secretary for Healthcare Chaplaincy worked with other stakeholders to contribute to the consultations on new NHS England Chaplaincy Guidelines. It is hoped the new guidance will be published in 2023.

The work to extend opportunities in Armed Forces Chaplaincy to the wider Free Churches gathered pace. During the year there were productive meetings with the Ministry of Defence and the Convenor of the United Board. A paper setting out the protocol for how the FCG could represent the nineteen Free Church denominations who are currently non-sending denominations on the United Board was drafted and agreed in principle with the Ministry of Defence. There is a great deal of optimism for this area of ministry in 2023. A FCG steering committee for Armed Forces Chaplaincy has been set up and there is every hope that a final decision on the FCG's membership of the United Board will be taken in the first quarter of 2023.

Strategic Highlights (continued)

Social media and the use of online conference/meeting platforms has helped to reach a wider group of local Free Churches in a way that would have been very challenging through physical meetings alone. This should help in engaging individuals/local churches more widely in the work of the FCG, than would have been hitherto possible. The FCG held Board and Group meetings onsite and online. The scope and use of hybrid meetings also proved useful. The benefits of face to face meetings have not been lost in these developments, however the economic benefit and convenience of online meetings will continue to be essential to the business.

In terms of finance and investments, the Board continued to focus on moving to a balanced budget. There was an internal review of the investment strategy, the results of which should be followed up in 2023. The Board began work to develop a new strategy for the FCG for the years 2023 to 2026. The strategy only focuses on a three-year period compared to previous ones which looked at a five-year period. The unpredictable and changing nature of the current operating environment means this is the right approach for the FCG to take. A key aim is to develop a work programme, which captures the interest of the FCG Group Members and thereby increases for them the ownership and value of the Free Churches' work. There is scope, which will be explored in 2023, to offer space for Group Members to gather and discuss areas of interest. This should offer Group Members opportunities to identify areas of work or operational functions where learning and best practice could be shared. We will only do this where Group Members wish to do so because they see benefit in that.

Elim Pentecostal Church joined the FCG during the year. The Board and Group Members welcomed Elim Pentecostal Church to the FCG. It is hoped that Elim Pentecostal Church will quickly become actively involved in the FCG work programme and the development of its future strategy.

Communication continues to be a significant area of work for a relatively small staff team. The FCG Board has put in place a communication strategy, which is managed by a sub-group of the Board. The staff team reviewed the FCG website and made updates inhouse with the support of a student intern. The circulation list for the FCG monthly electronic newsletter continued to grow during the year.

A couple of denominations are considering membership of the FCG, but it is too early to say if these enquiries will lead to formal applications or not.

Other business

The FCG continued its participation in the Churches Legislation Advisory Service and the Churches Ministerial Counselling Service, which are useful services offered to Group Members. The FCG met all its obligations as a charitable company limited by guarantee, within the set deadlines. The Dissenting Deputies AGM and Lecture was held in October 2022, with the keynote speaker, Revd Dr Robert Porter. The title of his lecture was *"The Greatest Terror of mankind" - Contagion, the Church and the Providence of God.*

Education

The FCG education work covers schools, further education and higher education, and is focused on resourcing member churches to support those involved in education in their communities, political engagement, and supporting university chaplains. We have continued to provide a service to Local Authority SACREs (Standing Advisory Councils on Religious Education) by liaising with member churches to find suitable Free Church representatives.

During the year, the Free Church Education Committee (members of which are drawn from across FCG member churches) worked towards a new strategic plan, with resourcing member churches at its heart. The Committee held a residential meeting in November and

Education (Continued)

drew together the preparatory work it had done throughout the year.

The FCG Higher Education Working Group continued to be involved in work on the Higher Education (Freedom of Speech) Bill, which returned to Parliament after changes in the DfE. The written evidence provided by the working group was quoted in both the House of Commons and the House of Lords, and documented in Hansard.

Submissions were also made to the Office for Students consultation on regulating equality of opportunity, and the consultation on quality and standards in higher education. Responses emphasised Free Church values relating to the contribution of education to the development of the whole person, and the necessity of measuring quality in a much broader sense than in purely economic terms.

We continued our work in supporting chaplains, by providing monthly online “coffee and chat” meetings which provided opportunities for chaplains to share ideas and concerns. A brief survey was conducted to assess the effectiveness of our work from the perspective of the chaplains we aim to support, and the responses were overwhelmingly positive. One chaplain commented: “Thank you for offering this support, especially during lockdown and the pandemic when we were all on a huge learning curve of how to do Chaplaincy remotely and/or safely, it’s been invaluable”.

The FCG staff team has also worked collaboratively to raise awareness of chaplaincy, bringing resources together in an online hub, hosted on the FCG website. As part of this work, we offered a webinar about part-time chaplaincy, which was joined by about 50 people from a range of churches.

The Education Officer has continued to represent the Free Churches at regular meetings for faith groups at the Department for Education. She also helped to organise the annual conference of the Centre for Chaplaincy in Education and took part in regular meetings both of its steering group and its London Hub.

Prison Chaplaincy

During the year we saw a marked change in what had become the ‘new normal’ of Prison Chaplaincy, with the sporadic lifting, re-establishing and tightening of lockdown restrictions. We began once again to see Free Churches Chaplains working tirelessly in all 121 prisons across England and Wales offering corporate worship, pastoral and spiritual care, education and support with resettlement. As an organisation the need to respond professionally to Prison Chaplains working across the estate has never been greater.

Over the last few years our chaplains have experienced significant strain as they have sought to come to terms with an increased bereavement workload, alongside extraordinary requirements and limitations to their daily ministry. The impact on their resilience cannot be over-stated. It was therefore a great joy to physically gather in substantial numbers for the Free Churches Chaplains’ Training at the Fire Service Training College in November. The sense of relief in being together, combined with a desire to learn and worship was both genuine, universal and palpable. A time of healing and renewal that was welcomed by and appreciated by many.

Our working relationship with HMPPS Chaplaincy has continued to develop and has been particularly productive in seeking innovative ways to equip establishments and their chaplains to meet the needs of residents and staff of HM Prisons. We continue to work with them as they seek new ways to support and resource Faith and Belief advice across the multi-faith spectrum of needs. A Memorandum of Understanding has been established with the goal of developing a new role within the HMPPS team and financially sharing responsibility for its provision. The FCG continues to welcome these developments and will seek to work into 2023 to see this joint working established.

Prison Chaplaincy (Continued)

The over-representation of black and minority ethnic people in prisons has been a driving concern for FCG since its move into the area of Prison Chaplaincy endorsement and support in 2011. This year has offered us further opportunities to take this forward through engagement with the Churches Together in England - Racial Justice forum.

Prison Chaplains continued to be on the front line of the care and support of all living and working in prisons. The demands of working in secure environments, where issues of isolation, institutionalization, under-lying stress and intensely strained relationships mean that Prison Chaplaincy is no normal job. We continue to encourage Prison Chaplains from Free Churches traditions to respond reflectively and compassionately to these diversities, whilst developing ongoing supportive relationships with their sending churches and denominations. We are proud to say that Free Churches chaplains continue to be a valued and effective part of an extraordinary service offered to all who live and work in prisons. In supporting these chaplains, the FCG is recognized as a key factor in the recruitment, training and support of prison chaplains. We are extremely proud to be associated with on average 224 people who have committed themselves to selflessly support and serve all who live and work in prisons in England and Wales.

Healthcare Chaplaincy

Through 2022, while the number of people ill in hospital with Covid reduced significantly, pressures on the healthcare system did not ease with record numbers of people on waiting lists for care and high levels of staff vacancies. These pressures have affected staff moral and wellbeing. Chaplains, who are increasingly becoming involved in staff wellbeing, as well as supporting patients. At the start of 2022, chaplains listed in the Free Church Directory Health and Social Care chaplains, in response to a brief survey, expressed concerns about the tiredness and fatigue they were feeling. The FCG's support to equip and engage chaplains from its Group Members has therefore been vitally important. Each month opportunities were offered to engage in some form of continuous professional development. For the first part of 2022, on a rolling three-month pattern these sessions were:

- Reflective practice
- Research journal club
- Teaching/training input

Teaching sessions through 2022 included looking at theological and practical issues relating to euthanasia, understanding statistics and the annual study day - '*Researching Roles and Religious Belief*'. The study day was delivered remotely to around 50 chaplains with input from Martin Walton, Professor Emeritus of Chaplaincy Studies at the Protestant Theological University in the Netherlands and Shola Oladipo, a researcher at Coventry University.

The success of the journal club, which was started as a joint venture with the College of Healthcare Chaplains in 2021, led in September 2022 to re-launching Research First, a monthly UK wide journal club. The FCG plays a lead role and it is supported by NHS Education Scotland and the Northern Ireland Healthcare Chaplains Association amongst others.

There have been other developments such as '*Nourishing Roots Sessions*', which aim to help chaplains both deepen and nourish the spiritual roots that are needed to sustain them in an emotionally demanding ministry. Alongside these sessions, we continue to send out the monthly information digest, '*The Narrative*', which serves Free Church chaplains and the whole profession. Each edition contains an opening reflection, information and links to newly published or updated resources, details of forthcoming events and brief comments on recently published research.

Beyond the work to equip and engage Free Church chaplains, nationally, the FCG continues to be at the forefront of supporting, promoting, and initiating initiatives aimed at developing

Healthcare Chaplaincy (Continued)

high quality, safe, effective pastoral, spiritual and religious care. The FCG played a lead role in the updating of the Network for Pastoral, Spiritual and Religious Care in Health's (the Network) publication '*Endorsement of healthcare Pastoral, Spiritual and Religious (chaplaincy) Staff and Volunteers: A Practical Guide*' that was published at the start of 2022. As well as updating the Free Churches entry, we were instrumental in encouraging ecumenical working with the Roman Catholic and Church of England representatives to produce a single Christian entry.

As a result of roles held nationally, the secretary for Healthcare Chaplaincy has been a member of the steering group set up by NHS England to support the writing of New Guidelines for NHS Chaplaincy. Members of the Free Churches Healthcare Chaplaincy Steering Committee attend, contribute to, and in some instances chair meetings of national bodies including the Network, the College of Health Care Chaplains, the UK Board of Healthcare Chaplaincy, the Chaplaincy Forum for Pastoral Spiritual and Religious Care in Health and the Heads of Patient Experience (HoPE) Network.

The FCG played a key role in working with Health Education England and CPE Ireland Ltd to facilitate the running of a feasibility study looking at introducing Clinical Pastoral Education into England as a route into healthcare chaplaincy. Papers were given at the 17th Consultation of the European Network of Health Care Chaplaincy and the College of Health Care Chaplains Annual Study Conference. We have also been involved in teaching on courses run by the Network, Regents Theological College and CPE Ireland Ltd.

Financial Highlights

As mentioned previously, Free Churches has been successful in securing funding from the Westhill Trust to support some of the Commission. It has also secured funding to carryout projects in the education field.

Looking Ahead

"Developing Chaplaincy Ministry which is a core competence of the Free Churches"

In 2023 there will be new developments for the FCG to manage some of which have been mentioned above. The FCG strategy for 2023 to 2026 should be published in April 2023 and it should help to guide the work priorities for the next few years.

Extending chaplaincy to the Armed Forces to the wider Free Churches is a strand of work that will require a keen focus and resources to set up the endorsing process and to go live. Although some Free Churches have been involved in the ministry for many years, it will be new to several denominations. The FCG will promote this ministry across the Free Churches as there are currently vacancies for full time and reserves chaplains in the three services. The work to register denominations who are interested should begin in the late Spring. We are confident about this ministry and the ability of the FCG to fully satisfy the United Board's requirements because it builds on the core competences of the Free Churches.

The FCG will continue to question how it can deliver benefits to its Group Members, to further its Objects and strengthen the Free Church voice in the ecumenical field and the wider environment.

Structure, Governance and Management

The Free Church Federal Council (Incorporated) is a company limited by guarantee (company number 00364987) and a registered charity (charity number 236878). The governing instrument of the charitable company is the Memorandum and Articles of Association.

Structure, Governance and Management (Continued)

The charity is the incorporated body of, and uses the working name of, the Free Churches, an unincorporated association, whose members are representatives of its constituent denominations who subscribe to the Doctrinal Statement of the Free Churches.

The members of the company are representatives of the constituent denominations who are members of the Free Churches Group, together with the officers of the Free Churches. They meet as "The Group Meeting" to identify the particular beliefs and values which are held in common and agree the company's objectives.

The directors (who are also trustees for the purposes of charity law) are elected by the company members, seeking the necessary financial and legal skills for the task from within the constituent denominations. They are responsible for financial policy.

The directors / trustees who served during the year were:

Pastor Joshua Bandele
 Revd James Breslin (Chairman of the Board)
 Revd Helen Cameron (Moderator)
 Mrs Yvonne Campbell
 Revd Deseta Davis
 Major David Evans
 Revd Trevor Howard
 Revd Dr Hugh Osgood
 Mr Eric Southwick (Treasurer)
 Revd Christopher Whiteley
 Revd Daniel Yarnell (Vice-Chairman of the Board)

Directors meetings are chaired by the Chairman of the Board. Those new to the work of the company meet with the General Secretary to receive an orientation on the work of the Free Churches.

The day-to-day work of the company was delegated to the General Secretary, Revd Paul Rochester, who reported directly to the Board of Directors. The officers responsible for the healthcare and prison chaplaincy, and education programmes of the Free Churches are supported by specialist committees to shape these areas of work.

Objectives and Activities

The principal object of The Free Church Federal Council (incorporated) (FCFC) is "the advancement of the Christian religion." The furtherance of the objects takes place through the work of the Free Churches by means such as evangelistic, educational, training and business activities or other meetings as deemed necessary from time to time. Free Churches promotes faithful witness in the public square with a focus, but not solely, on chaplaincy work in Prisons and Healthcare and faith in Education.

Free Churches express the unity in Christ that is shared by Free Churches in England and Wales by promoting fellowship, shared counsel and working together to extend Christ's kingdom in every sphere of society. This is done whilst recognising that each Group Member remains at liberty to fulfil its own distinctive witness and mission. There are currently 26 denominations and Church groups that are members of Free Churches.

Public Benefit

The Free Churches purpose is in the support of its member church denominations in their mission across England and Wales. In as much as this mission is founded in and seeks to express the unconditional love of God, the benefits of all that the Free Churches seeks to do are understood to be 'public' and for the benefit of the wider society. Member churches and

Public Benefit (Continued)

their congregations express this through public worship and in service to the communities in which they are set.

The Free Churches upholds a right to the freedom of expression of religious faith. This has come out of a particular historical context but finds expression afresh in the current time and is understood to have application wider than the Free Churches own membership.

The Free Churches particular engagement with education, health care, prisons and the legislative governance of the nation, amongst other things, is evidential of a commitment to wider society and a concern for public wellbeing.

Particular examples include:

- Engagement in the training of hospital chaplains and their on-going professional development contributes to the quality of a service offered to all patients and hospital staff and to ensure patient trust and safety.
- The support of SACRE representatives in local authorities serves to ensure the appropriate balance in religious education curricula.
- The developed Faith Endorsement criteria of Prison Chaplains ensures that both Public and Private Sector prisons are well served by a diverse range of professional ministers to work as Chaplains in prisons.

Financial Review

Income derives mainly from investment returns on both listed investments and property. This is supplemented by subscriptions from member churches and other activities. In addition, specific grants have been received, for restricted purposes, to support the work in Healthcare and Prisons. Income remained comparable to previous years apart from grant income which has increased. Grants are made at the directors' discretion.

Total expenditure has been in line with that incurred in the previous year. This has resulted in a net deficit of £84,971 (2021: £115,937) in the general fund which, together with a loss of £206,324 (2021: £210,843 gain) on investments, has been transferred from reserves.

Risk Review

The directors undertake each year a wide-ranging appraisal in order to identify the major risks to which the charity is exposed. Steps are taken with a view to mitigating these risks as far as is reasonably possible.

The directors are aware that the continued financial stability of the charity relies on the continued performance and growth of the charity's investments. They believe their regular review of quoted investments, aided by information from the fund managers, largely mitigates this risk as far as possible.

Investment Powers and Policy

The investment powers of the charity are contained in the Articles of Association and include the power to appoint investment managers. The directors may invest any funds not immediately required by the charity into such securities, property and other investments as they consider greatest overall benefit to the charity, in line with the charity's objectives.

The directors' current policy is to invest in gilt edged securities or investment units with managers of common investment funds: Epworth Investment Management Limited and freehold commercial properties. Surplus funds held for the shorter term are placed in CCLA Investment Management Limited's COIF Charity Fund Deposit Account, which has consistently provided a rate of return higher than that available from a bank.

Reserves Policy

It is the policy of the directors to ensure that the charity has adequate reserves to enable it to meet both its ongoing commitments in respect of general charitable activities and its future funding requirements. The directors have assessed this with the aim of achieving reserves equivalent to one year's on-going expenses plus any known existing and future liabilities. This would require free reserves of around £300,000. Free reserves as at 31 December 2022 stood at £200,606 (2021: £185,577) including tangible fixed assets of £70,978 (2021: £78,866).

The charitable activities are largely financed from the yield on invested reserves. It is the long-term policy of the board to maintain the real value of invested reserves and apply their annual yield (interest, dividends, rents and a proportion of any growth in value) to funding the work of the Free Churches. The directors consider the level of reserves at the year-end to be sufficient for the current requirements of the charity but will continue to review the overall position and policy at regular intervals.

Independent Examiner

Mark Heaton FCCA DChA FCIE of KM, Chartered Accountants, has been appointed as the charitable company's Independent Examiner. A resolution proposing the reappointment of Mark Heaton will be put to the Annual General Meeting.

Statement of Directors' Responsibilities

The directors, who also act as trustees, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors (who are also trustees for the purposes of charity law) to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including income and expenditure, of the company for that period.

In preparing those financial statements, the directors are required to:

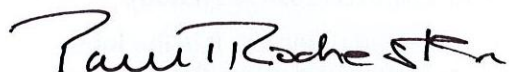
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

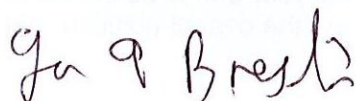
Approval

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board



General Secretary: Revd Paul Rochester



Chair of the Board: Revd James Breslin

24th May 2023

MEMBER DENOMINATIONS

Assemblies of God
Baptist Union of Great Britain
Baptist Union of Wales
Christ Apostolic Church
Church of God of Prophecy
Church of the Nazarene
Churches in Communities International
Congregational Federation
Council of African and Caribbean Churches UK
Countess of Huntingdon's Connexion
Elim Pentecostal Church
Fellowship of Churches of Christ
Free Church of England
Free Methodist Church
Independent Methodist Churches
Joint Council of Churches for All Nations
Methodist Church
Moravian Church
New Testament Assembly
New Testament Church of God
Old Baptist Union
Order of St Leonard
Presbyterian Church of Wales
The Salvation Army
Undeb yr Annibynwyr Cymraeg
(Union of Welsh Independents)
United Reformed Church
Wesleyan Reform Union

INDEPENDENT EXAMINER'S REPORT

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st December 2022 which are set out on pages 15 to 23.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

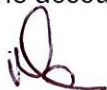
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.



Mark Heaton FCCA FCIE DChA

KM Chartered Accountants
1st Floor, Block C, The Wharf,
Manchester Road,
Burnley
Lancashire
BB11 1JG

Date: 24th May 2023

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

For the year ended 31st December 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Income and endowments from:					
Donations and legacies:					
Member church subscriptions		20,667	-	20,667	20,667
Donations		-	-	-	156
Charitable activities:					
Grants	2	-	16,750	16,750	16,750
Other trading activities:					
Sales		425	-	425	3,600
Rental income		44,063	-	44,063	6,143
Investments:					
UK listed investments		47,436	-	47,436	50,830
Rental properties		92,500	-	92,500	92,500
Other		329	-	329	4
Other					
Conference Fees		315	(60)	255	593
Other		7,827	77	7,904	5,383
Total		213,562	16,767	230,329	196,626
Expenditure on:					
Investment management costs:					
Property management costs		1,454	-	1,454	2,790
Charitable activities					
Grants payable	3	1,360	-	1,360	-
Other	3	295,719	16,767	312,486	309,773
Total		298,533	16,767	315,300	312,563
Net income / (expenditure)		(84,971)	-	(84,971)	(115,937)
Gains / (losses) on investment assets		(206,324)	-	(206,324)	210,843
Net income / (expenditure)		(291,295)	-	(291,295)	94,906
Net Movement in Funds		(291,295)	-	(291,295)	94,906
Reconciliation of funds					
Total funds brought forward		3,067,455	-	3,067,455	2,972,549
Total funds carried forward		2,776,160	-	2,776,160	3,067,455

Company Number: 00364987

BALANCE SHEET

As at 31st December 2022

	Notes	2022		2021	
		£	£	£	£
Fixed Assets					
Tangible assets	6	70,978		78,866	
Investments	7	<u>2,575,554</u>		<u>2,881,879</u>	
			2,646,532		2,960,745
Current Assets					
Debtors	8	104,719		134,033	
Cash at bank and in hand		<u>75,669</u>		<u>19,750</u>	
		180,388		153,783	
Current Liabilities					
Amounts falling due within one year	9	<u>50,760</u>		<u>47,073</u>	
Net Current Assets			129,628		106,710
Net Assets			<u>2,776,160</u>		<u>3,067,455</u>
Funds					
Unrestricted:					
General unrestricted funds	10		2,776,160		3,067,455
Restricted funds	10		-		-
Total Funds			<u>2,776,160</u>		<u>3,067,455</u>

For the year ending 31st December 2022 the company was entitled to exemption from audit under section 476 and section 477 of the Companies Act 2006 relating to small companies. The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the Board of Directors:



Revd Helen Cameron
Moderator

24th May 2023

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2022

1. Accounting Policies

Basis of preparation

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Donations and incoming grants

Donations and grants are accounted for when received or receivable where entitlement is demonstrable.

Investment income

Incoming resources from investments are accounted for when receivable.

Grants payable

Grants are made on behalf of the Department of Health to members of the Healthcare Chaplaincy Faith and Belief Group. Grants are also paid to support various work carried out by organisations on behalf of the churches on an ecumenical basis nationally. Grants are accounted for when paid or when there is an obligation to pay.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the Independent Examiner's fees and costs relevant to strategic management.

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each tangible fixed asset over its expected useful life as follows:

Leasehold property improvements	- straight line over the period to 31 December 2031
Furniture and equipment	- 10% / 20% / 33% straight line

Investment properties

Investment properties are stated at market value. Realised and unrealised gains are included in the Statement of Financial Activities. No depreciation is provided on investment properties. This is a departure from the requirements of the Companies Act 2006 which requires all properties to be depreciated. The directors consider that to depreciate the properties would not give a true and fair view. Depreciation is only one of the many factors reflected in the valuation and the amount which might otherwise have been shown. The investment properties

1. Accounting Policies (continued)

are maintained to a high standard and as such their residual value is expected to be not less than their cost and therefore the depreciation is immaterial to the accounts. Impairment reviews are carried out on an annual basis by the Board. The directors consider that this accounting treatment results in the financial statements giving a true and fair view.

Listed Investments

Listed investments are shown at market value. Realised and unrealised gains are disclosed in the Statement of Financial Activities.

Funds

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general fund.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs.

2. Income and endowments from Charitable Activities: Grants

	2022	2021
Restricted Funds	£	£
Miscellaneous - Health Care Chaplaincy	250	250
Methodist Church - Prison Chaplaincy	10,000	10,000
Culham ST Gabriels's - Education Project	4,000	4,000
Westhill Endowment - Education Project	2,500	2,500
Total	<u>16,750</u>	<u>16,750</u>

3. Expenditure on: Charitable Activities

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Grants payable:				
Ministerial counselling service	1,360	-	1,360	-
Direct expenditure:				
General	175,617	-	175,617	177,015
Health Care Chaplaincy (HCC)	31,872	327	32,199	29,344
Education officers	52,281	6,500	58,781	63,599
Prison Chaplaincy	35,949	9,940	45,889	39,815
	<u>295,719</u>	<u>16,767</u>	<u>312,486</u>	<u>309,773</u>
Total	<u>297,079</u>	<u>16,767</u>	<u>313,846</u>	<u>309,773</u>

4. Directors' Emoluments and Staff Costs

Staff costs during the year were:	2022	2021
	£	£
Wages and salaries	188,339	192,495
Social security costs	14,442	13,831
Pension contributions	17,648	17,633
Total	<u>220,429</u>	<u>223,959</u>

No employees received remuneration greater than £60,000.

The average number of employees during the year was:	2022	2021
	Number	Number
Direct charitable activities	4	4
Management and administration	2	2
Total	<u>6</u>	<u>6</u>

Total compensation paid to key management personnel in the year amounted to £46,045 (2021: £45,142).

Directors' emoluments, including pension benefits, amounted to £nil (2021: £nil).

Expenses reimbursed to six (2021: two) directors for travel, subsistence and conference expenses were £2,712 (2021: £436).

5. Net Income / (Expenditure)

Net incoming resources is stated after charging:	2022	2021
	£	£
Independent Examiner's Fee	2,160	2,130
Depreciation	7,888	8,693

6. Tangible Fixed Assets

	Furniture and Equipm't	Leasehold Property Improvem't	Total
Cost	£	£	£
At 1 January 2022	24,726	234,444	259,170
At 31 December 2022	<u>24,726</u>	<u>234,444</u>	<u>259,170</u>
Depreciation			
At 1 January 2022	24,726	155,578	180,304
Charge for the year	-	7,888	7,888
At 31 December 2022	<u>24,726</u>	<u>163,466</u>	<u>188,192</u>
Net Book Value			
At 31 December 2022	<u>-</u>	<u>70,978</u>	<u>70,978</u>
At 31 December 2021	<u>-</u>	<u>78,866</u>	<u>78,866</u>

Leasehold property improvements were effected during preceding years to the London headquarters of the company which it occupies under the terms of a lease due to expire in 2032.

7. Investments

	UK Listed Investments General Funds	Investment Properties General Funds	Total
	£	£	£
Market Value			
At 1 January 2022	1,731,878	1,150,000	2,881,878
Increase on revaluation in year	(206,324)	-	(206,324)
Redeemed in year	(100,000)	-	(100,000)
At 31 December 2022	<u>1,425,554</u>	<u>1,150,000</u>	<u>2,575,554</u>
Historic Cost			
At 1 January 2022	1,373,050	667,881	2,040,931
Redemption in year	(81,744)	-	(81,744)
At 31 December 2022	<u>1,291,306</u>	<u>667,881</u>	<u>1,959,187</u>

The UK listed investments portfolio is made up of UK fixed interest stocks and equities, all quoted/listed within the UK. Investments which made up over 5% of the value of the portfolio are as follows:

	2022	2021
	%	%
COIF ethical income units	91.54	92.10
COIF property fund units	8.46	7.90

The investment properties were revalued at estimated open market value by the Directors in 2013, the directors do not believe that the market value has changed significantly since then.

8. Debtors

	2022	2021
	£	£
Trade debtors	16,475	24,838
Prepayments and accrued income	88,244	109,195
Total	<u>104,719</u>	<u>134,033</u>

9. Current Liabilities: Amounts Falling Due Within One Year

	2022	2021
	£	£
Accruals	2,500	2,470
Deferred rental income	10,625	10,625
Other Creditors	37,635	33,978
Total	<u>50,760</u>	<u>47,073</u>

10. Funds

	01-Jan-22	Transfers between funds	Income	Expend iture	Gains / (Losses)	31-Dec-22
	£		£			£
Unrestricted Funds:						
General reserve	185,577	100,000	213,562	(298,533)	-	200,606
Investment reserve	1,373,050	(81,744)	-	-	-	1,291,306
Investment revaluation reserve	358,828	(18,256)	-	-	(206,324)	134,248
Property reserve	667,881	-	-	-	-	667,881
Property revaluation	482,119	-	-	-	-	482,119
Total unrestricted	3,067,455	-	213,562	(298,533)	(206,324)	2,776,160
Restricted Funds						
Healthcare Chaplaincy	-	-	327	(327)	-	-
Prison Chaplaincy	-	-	9,940	(9,940)	-	-
Education	-	-	6,500	(6,500)	-	-
Total restricted	-	-	16,767	(16,767)	-	-
Total Funds	3,067,455	-	230,329	(315,300)	(206,324)	2,776,160

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as a general fund. Investments and Property assets are represented as separate funds distinguishing between cost and revaluations as these funds are not available for day to day expenditure.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs. During the year a grant from the Methodist Church was restricted to the costs of prison chaplaincy.

11. Analysis of Net Assets Between Funds

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Unrestricted Funds				
General unrestricted funds	70,978	2,575,554	129,628	2,776,160
Restricted Funds	-	-	-	-
Total Funds	70,978	2,575,554	129,628	2,776,160

12. Comparative Statement of Financial Activities by fund type

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Income and endowments from:			
Donations and legacies:			
Member church subscriptions	20,667	-	20,667
Donations	156	-	156
Charitable activities:			
Grants	-	16,750	16,750
Other trading activities:			
Endorsements	3,600	-	3,600
Rental income	6,143	-	6,143
Investments:			
UK listed investments	50,830	-	50,830
Rental properties	92,500	-	92,500
Other	4	-	4
Other			
Conference Fees	216	377	593
Other	5,383	-	5,383
Total	179,499	17,127	196,626
Expenditure on:			
Investment management costs:			
Property management costs	2,790	-	2,790
Charitable activities			
Other	292,646	17,127	309,773
Total	295,436	17,127	312,563
Net income / (expenditure)	(115,937)	-	(115,937)
Gains / (losses) on investment assets	210,843	-	210,843
Net income / (expenditure)	94,906	-	94,906
Net Movement in Funds	94,906	-	94,906

13. Related Parties and Control

The General Secretary had day to day control of the charity. The trustees have overall control of the charity.

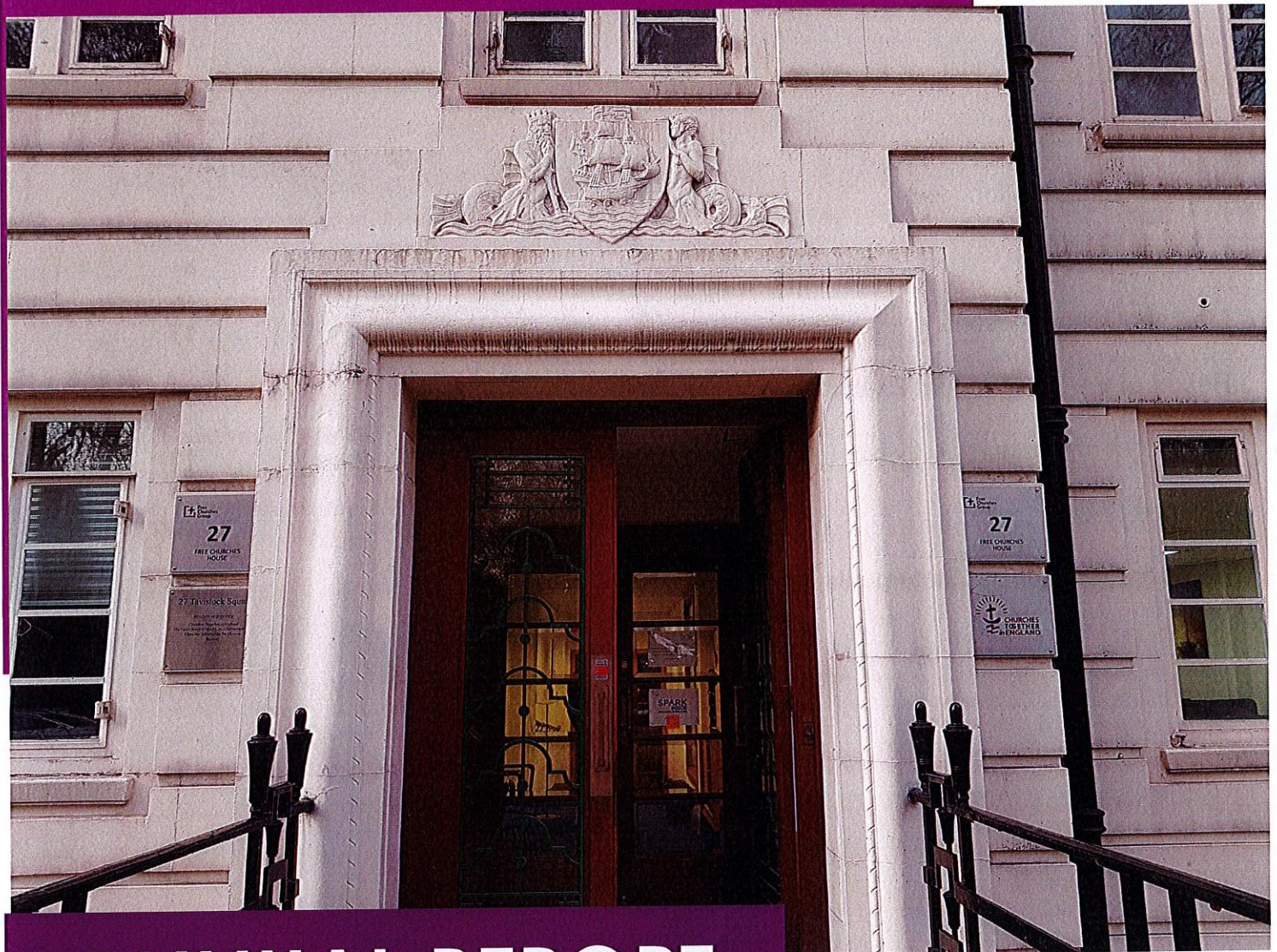
Previously Eric Southwick & Co Charity Accountants was appointed to provide the services of Finance Officer to the charity. Eric Southwick & Co Charity Accountants is controlled by E Southwick, a director / trustee of The Free Church Federal Council (Incorporated). E Southwick declared his interest in Eric Southwick & Co Charity Accountants and was absent from discussions and took no part in the decision to appoint Eric Southwick & Co Charity Accountants. The remaining directors were satisfied that it was in the best interests of The Free Church Federal Council (Incorporated) to appoint Eric Southwick & Co Charity Accountants and did so under the authority provided within the company's Articles of Association. The cost of these services in the year was £12,000.

Previously Charis Communications was appointed to provide services to support the development of the charity's website and to increase the charity's use of social media. Charis Communications engages the services of the Rev Dr H Osgood and Rev T Howard is one of its directors, both are directors / trustees of The Free Church Federal Council (Incorporated). The Rev Dr H Osgood and Rev T Howard declared their interests in Charis Communications and were absent from discussions and took no part in the decision to appoint Charis Communications. The remaining directors were satisfied that it was in the best interests of The Free Church Federal Council (Incorporated) to appoint Charis Communications and did so under the authority provided within the company's Articles of Association. The cost of these services in the year was £1,200.

THE FREE CHURCH FEDERAL COUNCIL (INCORPORATED)

England & Wales - Charity number 236878

Accounts



ANNUAL REPORT 2021

Free Church Federal Council (Incorporated)

Email: fcg@freechurches.org.uk

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COMPANY INFORMATION

Company number	00364987
Charity number	236878
Directors / Trustees (as at date of report)	Revd Helen Cameron (Moderator) Revd Dr Hugh Osgood (Past Moderator) Mr Eric Southwick (Treasurer) Pastor Joshua Bandele Revd James Breslin Mrs Yvonne Campbell Revd Deseta Davis Major David Evans Revd Trevor Howard Revd Christopher Whiteley Revd Daniel Yarnell
General Secretary	Revd Paul Rochester
Registered Office	27 Tavistock Square, London, WC1H 9HH.
Bankers	CAF Bank Limited 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ.
Solicitors	Ashtons Legal Waterfront House, Wherry Quay, Ipswich, Suffolk, IP4 1AS.
Independent Examiner	Mark Heaton FCCA DChA FCIE K M 1st Floor, Block C, The Wharf, Manchester Road, Burnley, Lancashire, BB11 1JG.
Fund Managers	CCLA Investment Management Ltd COIF Charity Funds 85 Queen Victoria Street, London, EC4V 4ET.
Property Agents	Curchod & Co Portmore House, 54 Church Street, Weybridge, Surrey, KT13 8DP.

DIRECTORS' REPORT

The Trustees present their annual report with the accounts for the year ended 31 December 2021. The accounts comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association, Financial Reporting Standard 102 and follow the recommendations in 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).

PROMOTING WITNESS IN THE PUBLIC SQUARE

Strategic Highlights

The Free Churches, the operating arm of the Free Church Federal Council (Incorporated), enjoyed a successful year in 2021.

The FCG continued to adjust its business in response to the pandemic and an operating environment in flux. Staff returned to the office on a part-time basis and there was a gradual increase in room hire as that part of the business restarted. To promote the meeting rooms, we registered with Zip Cube to cater for the private sector market, local neighborhood to attract local organisations and Cladder's website, which allows the FCG to rent to Government departments. The FCG expects to see an increase in bookings from its Group Members in the coming year.

The FCG has terminated the contract with its Property Agent for the Bognor Regis and Westbury properties, with effect from 1st January 2022. The work needs to be market tested as the existing contract was no longer meeting the needs of the business. The FCG will manage inhouse the core work required to maintain its properties in 2022, seeking help from its Group Members who have expertise in this area.

We have continued to develop a hybrid approach to events and meetings, with the majority taking place on online. For example, all the Board and Group meetings were held online.

In terms of staffing, Mark Newitt joined the FCG from the beginning of January 2021, as the Secretary for Healthcare Chaplaincy. There was a couple of months overlap with his predecessor, Revd Meg Burton. Meg Burton did an excellent job, particularly in supporting Chaplains. She was commended by Chaplains for the spiritual support she gave from the outset of the pandemic until her retirement. We hope that Meg enjoys her well-earned retirement.

Sara Iles, who was responsible for the communication and social media work part-time, left the FCG to take up new employment. We expressed our gratitude to Sara Iles for her contribution to the work of the FCG, wishing her the best in the future. The General Secretary, Revd Paul Rochester, continued to manage operations. Weekly staff meetings were held online as, for most of the year, staff worked from home.

Strategic Highlights (continued)

The Board of directors in 2021 remained the same, however, the Revd Canon Helen Cameron stood down as the Chair of the Board. The Revd James Breslin was elected as the new Chair of the Board and the Revd Daniel Yarnell as the vice chair. These changes in responsibilities will ensure the FCG continues to operate in line with its articles of association and byelaws, where the roles of the Chair of the Board and the Moderator are not carried out by the same person. The Revd Helen Cameron will take up the appointment as the FCG Moderator in April 2022. From April 2021, Helen Cameron shadowed the current Moderator, the Revd Dr Hugh Osgood, which should help to ensure a seamless transition.

Hugh Osgood, continued to fulfil his responsibilities to the organisations of which he is a patron. He used those and other opportunities to represent the Free Churches, although there were fewer public events because of the pandemic. He carried out his responsibilities as the Churches Together in England Free Churches President and attended meetings including the National Service of Remembrance at the Cenotaph in Whitehall, where he represented the Free Churches.

We have made progress in respect of the five-year strategy (2019-2023). The Board set up working groups to look at communications and working towards a balanced budget by 2023. This proved helpful as it gave directors an opportunity to directly contribute to tackling key aspects of the FCG's work programme.

In terms of communication, we continued to see an increase in the circulation list for the FCG's e-newsletter. Work was done on the FCG's key messages, which were used to promote the work of the FCG. Hugh Osgood updated the Wikipedia page for the Free Churches. The page only partly reflected the Free Churches' historical journey in England and Wales and needed updating from 1940 forward to the present time. We still need to develop the use of social media and the website requires a limited redesign, which we hope to complete inhouse during 2022.

The use of online platforms increased the Free Churches' engagement with Government. The FCG, along with other ecumenical instruments, supported the vaccination programme, whilst recognising the importance of not infringing people's right to choose to take the vaccine or not.

There has been further movement on the work to explore wider access for Free Churches to Armed Forces chaplaincy. The FCG have nineteen Group Members who are non-sending denominations in respect of chaplaincy to HM Armed Forces. Whilst there are routes for these Group Members to seek participation in Armed Forces chaplaincy, in most cases they are unwieldy and therefore not a realistic long-term solution. There is still much to do in this work stream to find a satisfactory solution, but given this is a matter of fairness, we believe it sits well with our Free Church values and should be a priority for 2022. We hope to therefore continue making progress on this area of work in 2022 and have begun the process of setting up a new FCG committee to help focus and drive that work.

The Commission

We continued to build on the results of the Commission on *'The Church and Social Cohesion: Connecting Communities and Serving People.'* A successful physical event was held in Liverpool to promote the Commission's report and two 'how to booklets' for churches wishing to foster cohesion and statutory bodies seeking to work with churches. The event helped to raise awareness of the Commission in the North of England. We had excellent support from the Free Churches Group in Liverpool, who jointly hosted the event with the FCG. There is greater scope to engage with local churches and groups on the steps to foster cohesive communities, as the country rebuilds post pandemic and seeks to tackle pressing issues such as the economy and increasing household costs, due to rising inflation and energy costs. Some local churches are using the 'how to booklets' and, where possible, we will be looking to develop case studies to encourage wider participation. We have also ensured that we link to other projects, such as, a Churches Together in Britain and Ireland project for the four nations, which is looking at 'Nationhood and Identity' with reference to social cohesion.

Other Business

The FCG has continued its membership of Eurodiaconia. Despite the UK leaving the European Union, we need, more than ever, to maintain our relationships with diaconal groups across Europe. The UK's relationship and future arrangements with the European Union are still being finalised, however the eventual outcome of those negotiations should not affect membership of Eurodiaconia as the organisation's constitution allows for members inside and outside the European Union. The FCG should therefore be able to continue playing a full role in the work of Eurodiaconia. Eurodiaconia has just been awarded a further four years of funding by the European Union, so its long-term future is secure.

We held a very successful Deputies' meeting in October. Our distinguished speaker this year was the Rev Dr Robert Pope, Vice Principal of Westminster College, Cambridge. He unfolded his intriguing title for our troubled times of *"The Greatest Terror of Mankind" - Contagion, the Church and the Providence of God*, showing that the exactions of COVID are neither unprecedented nor unforeseen. It was an excellent lecture and in future we want to do more to increase participation in these stimulating lectures.

The Deputies hold a historic "privileged body" right of access to the throne, which is exercised on great occasions by the presentation of loyal addresses. We therefore wrote to Buckingham Palace about the 70th anniversary of Her Majesty's succession to the Throne, expressing our wish to show its gratitude to Her Majesty, by making an Address to the Throne. The FCG has been privileged to make an Address to the Throne in previous years, celebrating the many milestones of Her Majesty's reign.

In term of the FCG's membership of the Churches Legislation Advisory Service (CLAS), several dominations/groups contributed to Government consultations on various policy areas of interest to Churches. CLAS continues to be an excellent vehicle for highlighting and responding to Government consultations and policy developments that are directly or indirectly relevant to the Churches. The FCG's membership of CLAS gives access to those Group Members who do not hold their own membership.

Other Business (continued)

The FCG continued to work with the Churches Ministerial Counselling Service (CMCS), representing its Group Members who are not members of this organisation. The pandemic has noticeably increased pressures on ministers and chaplains. The FCG supported chaplains through its core chaplaincy services, as highlighted below. The FCG with its Group Members need to consider what more they can do to support ministers, as lockdown restrictions ease and we get back to some normality. The FCG will continue to promote CMCS to the smaller Group Members as an option for supporting their respective ministers. Flexibility in the way churches pay for this service could help to increase usage.

Education

The Free Church Education Committee continued to pursue its strategy of informing, engaging and supporting the FCG Group Members in building links with educational institutions in their communities. As part of this, the Committee began a review of the ways in which it helped to recruit and support Free Church members of Local Authority Standing Advisory Councils on Religious Education (SACREs), with the aim of strengthening processes and building relationships.

We were delighted to be awarded a grant by the Westhill Endowment towards our project supporting Free Church Chaplains in Higher Education Institutions. Weekly “Coffee and Chat” sessions were attended by up to 15 chaplains from a range of universities in England and Wales. Chaplains discussed issues they were facing, shared ideas about how to engage with students and staff in situations where many of them were not allowed to spend time on campus and spent time together in prayer and reflection. We were also able to offer a series of webinars including building community in a virtual world and student mental health in the pandemic. These were attended by up to 50 chaplains, and the recordings were made available on YouTube, with links from the FCG website. The FCG also offered a cross-sector webinar, “Opening up Chaplaincy” which attracted over 150 registrations.

We have continued to engage with Government and attended regular online meetings with the Department for Education, along with other faith groups. These have offered us the opportunity to stay up to date with policy developments and to have input into discussions about the implementation of initiatives, particularly in schools.

Submissions have been made on behalf of the FCG to several Government consultations relating to education, including the Higher Education (Freedom of Speech) Bill, and the Office for Students consultations about quality and standards in Higher Education. As a result of a submission of evidence to the House of Commons Bill Committee reviewing proposed amendments to the Higher Education (Freedom of Speech) Bill, we were given the opportunity to engage with one of the Committee members and to propose wording for an amendment.

Partnerships with other organisations have continued to be an important focus for our work in education, and we have worked extensively with the Centre for Chaplaincy in Education (CCE), particularly in preparing and delivering its biennial conference, and in establishing a London hub for school and college chaplains.

Education (continued)

The Free Church Federal Council was a founder member of the Religious Education Council of England and Wales in 1973 and has continued to be an active member. The Free Church Education Officer, Sarah Lane Cawte, was elected as Chair of the Religious Education Council in May 2020 and will serve a 3 year-term in the role, beginning in September 2020. Membership of the Religious Education Council enables the Free Churches to participate in the support and development of Religious Education in schools, and to work collaboratively with a wide range of faith and belief organisations, and other organisations that support the subject.

Prison Chaplaincy

Prison Chaplaincy continued in much the same vein in 2021 as in 2020, with the sporadic lifting, re-establishing and tightening of lockdown restrictions. As an organisation, the need to respond professionally with online services to meet the increased needs of Prison Chaplains working across England and Wales, stretched us, but it also resulted in deeper levels of engagement with many more chaplains than would have been possible previously. All chaplains, including Volunteer Chaplains, were recognised as key workers and their continued presence was noted as being crucial in the maintenance of decent regimes in prisons. The Director General of Prisons in HMPPS, Phil Copple, noted publicly that the provision of Chaplaincy services had been instrumental in helping the prison service manage through an unprecedented period of its history.

The increased pastoral load on Free Churches Prison Chaplains however has meant that there has been an increasing strain placed on the resilience of those providing care. It was a great privilege therefore to take a few chaplains on retreat where, within a brief time, it was possible to see a sense of re-envisioning, together with a degree of enthusiasm in facing what the future may hold. One of our Free Church Chaplains was awarded a Commendation this year by the Butler Trust for his services to women leaving prison at a time when reintegration into society was particularly difficult.

The FCG's working relationship with HMPPS Chaplaincy has continued to develop and has been particularly productive in seeking innovative ways to equip establishments and their chaplains to meet the needs of residents and staff of HM Prisons. We continued this year to provide media solutions such as regular broadcasts on National Prison Radio, and video presentations on "Wayout TV", an in-prison television service. "The best Christmas present ever" was the comment of one resident in a letter to the FCG in response to our Christmas Day service at the end of 2020. We have continued to work with HMPPS Chaplaincy in developing a sustainable and fair way of funding the Free Churches Faith Advisor for Prison Chaplaincy. A Memorandum of Understanding has been established with the goal of developing this role and sharing financial responsibility for the post. The FCG continues to welcome these developments and seek to work into 2022 to see progress on joint working between the FCG and HMPPS.

Prison Chaplaincy (continued)

The over-representation of BAME people in prisons has been a driving concern for the FCG since its move into the area of Prison Chaplaincy endorsement and support, and great progress has been made over the years. There has been an opportunity this year to build on that work through engagement with the Churches Together in England Racial Justice forum.

The Prison Service has been recognized as having responded well to the threat of Coronavirus in its lockdown approach to saving lives. It has carefully managed regimes through this year so that we are beginning to see communal worship services and volunteer engagement re-established. Prison Chaplains have continued to be on the front line of this response. Chaplains have seen their role becoming focused on caring pastorally, often in one-on-one settings, sometimes wearing PPE, always with compassion for those increasingly affected by the deaths of relatives, sickness of colleagues, and threat to their own wellbeing. Through careful Risk Assessment and compassionate commitment, Prison Chaplains have continued in the face of these adversities and increased demand to offer an extraordinary service to all who live and work in the prison establishments across England and Wales. In supporting these chaplains, the FCG is recognized as a key factor in their recruitment, training and support. In this period, we are extremely proud to be associated with on average 220 people who have continued in extraordinary circumstances to selflessly support and serve all who live and work in the prisons of England and Wales.

Healthcare Chaplaincy

2021 continued the challenges of 2020 for chaplains working in health and social care settings. While restrictions for the public were gradually eased through the first part of the year, many health and social care settings have remained at high alert levels. This has meant the continuation of challenging working conditions such as the need to wear PPE, including masks making effective communication within a pastoral encounter much harder. Even when Covid-19 levels have been at their lowest, the pressure on the NHS was not eased. Not only was there a backlog of work that had to be postponed, but people were often coming into hospitals with much more complex emotional and physical needs. Throughout the pandemic healthcare chaplains have made headline news in relation to the vital role they have played not only in supporting patients, but increasingly in supporting other NHS Staff; the past year saw a noticeable increase in job adverts for chaplains who had a particular staff wellbeing focus.

Over the past year we have worked in several different ways to equip, engage, and support chaplains working in difficult and pressured circumstances. Through the early months of the year, weekly 'Tea and Chat' sessions were hosted enabling chaplains to have a few moments out of their day to connect with peers from across the country. As social restrictions were eased and the need for these lessened, monthly continuing professional development sessions were introduced to enable chaplains to maintain and enhance their knowledge and skills and work to best practice. On a rolling three-month pattern there was the opportunity to engage in reflective practice, participate in a journal club exploring a recent research article, and to learn from some teaching or training.

Healthcare Chaplaincy (continued)

The training/teaching session for November 2021 formed the Annual Study Day. Recognising the pressure that chaplains had been working under for over 18 months, the day was titled '*There is a Crack in Everything: reflecting on grief, trauma and resilience in light of chaplain's experience during the pandemic*'. The day was delivered remotely with around 50 chaplains attending.

Further support for chaplains has been provided with regular emails containing information and resources. This has included the development of a monthly information digest called *the Narrative* which contains:

- A short opening spiritual reflection
- Information and resources recently shared or updated
- Details of forthcoming events relating to chaplaincy/spiritual care
- Links, with brief comments, to recent research related articles
- A list of current health and social care vacancies

As such, *the Narrative* shares good practice, encourages research literacy, and fosters wellbeing and a sense of connection. As a service to the profession *the Narrative* is freely available to any chaplain to sign up for it. Currently it is sent out to over 500 recipients from a range of faith and belief backgrounds.

At a national level we have continued to support, promote, and initiate initiatives aimed at developing high quality, safe, effective pastoral, spiritual and religious care. We have contributed to education programs, ranging from those for volunteers exploring chaplaincy to postgraduate studies for experienced chaplains: these include those run by St Padarn's College, Cardiff; Guy's and St Thomas NHS Foundation Trust; the Network for Pastoral, Spiritual, and Religious Care in Health (the Network), and Regents Theological College.

Members of the Healthcare Chaplaincy Steering Committee attend, contribute to, and in some instances chair meetings of national bodies including the Network, the College of Health Care Chaplains, the UK Board of Healthcare Chaplaincy and the Chaplaincy Forum for Pastoral Spiritual and Religious Care in Health (this is the body that brings the main chaplaincy bodies in England into conversation with NHS England). A significant contribution was made to the work revising the Network's guide to *Endorsement of Healthcare Pastoral, Spiritual and Religious (Chaplaincy) Staff and Volunteers* and we are represented on the Steering Group set up by NHS England to support the writing of new chaplaincy guidelines.

Financial Highlights

As mentioned previously, Free Churches has been successful in securing funding from the Westhill Trust to part fund the Commission. It has also secured funding to carry out projects in the education and healthcare chaplaincy sectors.

“Readjusting from the pandemic - Challenges and Opportunities in 2022”

Looking Ahead

There are exciting opportunities for 2022, which we will need to explore. The FCG will seek to strengthen its working relationship with its Group Members. We expect to see the churches working together on what the post-Covid19 Church looks like. We sense that there are concerns about the lasting effect of Covid-19 on how churches organise and manage new expectations. Where this work can be done collectively across the churches and learning shared, we believe that the results will be better.

There will be changes in the ecumenical landscape as we see changes in leadership teams and the FCG will need to respond to that. The FCG transition to its new Moderator has been very well managed, so we expect this to run smoothly.

We will revisit the FCG’s 2019-2023 strategy to ensure it is still relevant for the opportunities and challenges we expect to see over the next two-years. We will continue to focus on the core work of chaplaincy, which is an important ministry that helps to promote the Free Church voice in the public square. There are exciting developments in our education work that we need to build on, as we seek to increase the participation of local churches.

Structure, Governance and Management

The Free Church Federal Council (Incorporated) is a company limited by guarantee (company number 00364987) and a registered charity (charity number 236878). The governing instrument of the charitable company is the Memorandum and Articles of Association.

The charity is the incorporated body of, and uses the working name of, the Free Churches Group, an unincorporated association, whose members are representatives of its constituent denominations who subscribe to the Doctrinal Statement of the Free Churches.

The members of the company are representatives of the constituent denominations who are members of the Free Churches Group, together with the officers of the Free Churches. They meet as “The Group Meeting” to identify the particular beliefs and values which are held in common and agree the company’s objectives.

The directors (who are also trustees for the purposes of charity law) are elected by the company members, seeking the necessary financial and legal skills for the task from within the constituent denominations. They are responsible for financial policy.

The directors / trustees who served during the year were:

- Pastor Joshua Bandele
- Revd James Breslin
- Revd Helen Cameron (Moderator)
- Mrs Yvonne Campbell
- Revd Deseta Davis
- Major David Evans
- Revd Trevor Howard
- Revd Dr Hugh Osgood (Past Moderator)
- Mr Eric Southwick (Treasurer)
- Revd Christopher Whiteley
- Revd Daniel Yarnell

The Moderator chaired directors’ meetings for part of the year, but a new chair was elected from within Board as mentioned above. Those new to the work of the company meet with the General Secretary to receive an orientation on the work of the Free Churches.

The day-to-day work of the company was delegated to the General Secretary, Revd Paul Rochester, who reported directly to the Board of Directors. The officers responsible for the healthcare and prison chaplaincy, and education programmes of the Free Churches were supported by specialist committees to shape these areas of work.

Objectives and Activities

The principal object of The Free Church Federal Council (incorporated) (FCFC) is “the advancement of the Christian religion.” The furtherance of the objects takes place through the work of the Free Churches by means such as evangelistic, educational, training and business activities or other meetings as deemed necessary from time to time. Free Churches promotes faithful witness in the public square with a focus, but not solely, on chaplaincy work in Prisons and Healthcare and faith in Education.

Free Churches express the unity in Christ that is shared by Free Churches in England and Wales by promoting fellowship, shared counsel and working together to extend Christ’s kingdom in every sphere of society. This is done whilst recognising that each Group Member remains at liberty to fulfil its own distinctive witness and mission. There are currently twenty-six denominations and Church groups that are members of Free Churches.

Public Benefit

The Free Churches purpose is in the support of its member church denominations in their mission across England and Wales. In as much as this mission is founded in and seeks to express the unconditional love of God, the benefits of all that the Free Churches seeks to do are understood to be ‘public’ and for the benefit of the wider society. Member churches and their congregations express this through public worship and in service to the communities in which they are set.

The Free Churches upholds a right to the freedom of expression of religious faith. This has come out of a particular historical context but finds expression afresh in the current time and is understood to have application wider than the Free Churches own membership.

The Free Churches particular engagement with education, health care, prisons and the legislative governance of the nation, amongst other things, is evidential of a commitment to wider society and a concern for public wellbeing.

Particular examples include:

- Engagement in the training of hospital chaplains and their on-going professional development contributes to the quality of a service offered to all patients and hospital staff and to ensure patient trust and safety.
- The support of SACRE representatives in local authorities serves to ensure the appropriate balance in religious education curricula.
- The developed Faith Endorsement criteria of Prison Chaplains ensures that both Public and Private Sector prisons are well served by a diverse range of professional ministers to work as Chaplains in prisons.

Financial Review

Income derives mainly from investment returns on both listed investments and property. This is supplemented by subscriptions from member churches and other activities. In addition, specific grants have been received, for restricted purposes, to support the work in Healthcare and Prisons. Income remained comparable to previous years apart from grant income which has increased. Grants are made at the directors' discretion.

Total expenditure has been in line with that incurred in the previous year. This has resulted in a net deficit of £115,937 (2020: £141,771) in the general fund which, together with a £210,843 (2020: £83,071) gain on investments, has been transferred from reserves.

Risk Review

The directors undertake each year a wide-ranging appraisal to identify the major risks to which the charity is exposed. Steps are taken with a view to mitigating these risks as far as is reasonably possible.

The directors are aware that the continued financial stability of the charity relies on the continued performance and growth of the charity's investments. They believe their regular review of quoted investments, aided by information from the fund managers, largely mitigates this risk as far as possible.

Investment Powers and Policy

The investment powers of the charity are contained in the Articles of Association and include the power to appoint investment managers. The directors may invest any funds not immediately required by the charity into such securities, property and other investments as they consider greatest overall benefit to the charity, in line with the charity's objectives.

The directors' current policy is to invest in gilt edged securities or investment units with managers of common investment funds: Epworth Investment Management Limited and freehold commercial properties. Surplus funds held for the shorter term are placed in CCLA Investment Management Limited's COIF Charity Fund Deposit Account, which has consistently provided a rate of return higher than that available from a bank.

Reserves Policy

It is the policy of the directors to ensure that the charity has adequate reserves to enable it to meet both its ongoing commitments in respect of general charitable activities and its future funding requirements. The directors have assessed this with the aim of achieving reserves equivalent to one year's on-going expenses plus any known existing and future liabilities. This would require free reserves of around £300,000. Free reserves as at 31 December 2021 stood at £185,577 (2020: £106,008).

Reserves Policy (continued)

The charitable activities are largely financed from the yield on invested reserves. It is the long-term policy of the board to maintain the real value of invested reserves and apply their annual yield (interest, dividends, rents and a proportion of any growth in value) to funding the work of the Free Churches. The directors consider the level of reserves at the year-end to be sufficient for the current requirements of the charity but will continue to review the overall position and policy at regular intervals.

Independent Examiner

Mark Heaton FCCA DChA FCIE of KM, Chartered Accountants, has been appointed as the charitable company's Independent Examiner. A resolution proposing the reappointment of Mark Heaton will be put to the Annual General Meeting.

Statement of Directors' Responsibilities

The directors, who also act as trustees, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors (who are also trustees for the purposes of charity law) to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including income and expenditure, of the company for that period.

In preparing those financial statements, the directors are required to:

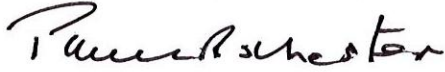
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

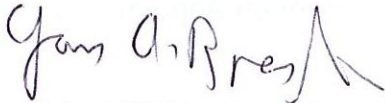
Approval

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board



General Secretary: Revd Paul Rochester



Chair of the FCFC: Revd James Breslin
25th May 2022

MEMBER DENOMINATIONS

Assemblies of God
Baptist Union of Great Britain
Baptist Union of Wales
Christ Apostolic Church
Church of God of Prophecy
Church of the Nazarene
Churches in Communities International
Congregational Federation
Council of African and Caribbean Churches UK
Countess of Huntingdon's Connexion
Fellowship of Churches of Christ
Free Church of England
Free Methodist Church
Independent Methodist Churches
Joint Council of Churches for All Nations
Methodist Church
Moravian Church
New Testament Assembly
New Testament Church of God
Old Baptist Union
Order of St Leonard
Presbyterian Church of Wales
The Salvation Army
Undeb yr Annibynwyr Cymraeg
(Union of Welsh Independents)
United Reformed Church
Wesleyan Reform Union

INDEPENDENT EXAMINER'S REPORT

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st December 2021 which are set out on pages 16 to 24.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').


Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.


Mark Heaton FCCA FCIE DChA
KM Chartered Accountants
1st Floor, Block C, The Wharf,
Manchester Road,
Burnley
Lancashire, BB11 1JG

Date: 25th May 2022

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

For the year ended 31st December 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income and endowments from:					
Donations and legacies:					
Member church subscriptions		20,667	-	20,667	19,178
Donations		156	-	156	3,301
Charitable activities:					
Grants	2	-	16,750	16,750	20,000
Other trading activities:					
Endorsements		3,600	-	3,600	-
Rental income		6,143	-	6,143	33,197
Investments:					
UK listed investments		50,830	-	50,830	54,035
Rental properties		92,500	-	92,500	92,500
Other		4	-	4	99
Other					
Conference Fees		216	377	593	(94)
Other		5,383	-	5,383	3,762
Total		179,499	17,127	196,626	225,978
Expenditure on:					
Investment management costs:					
Property management costs		2,790	-	2,790	2,206
Charitable activities					
Grants payable	3	-	-	-	1,820
Other	3	292,646	17,127	309,773	363,723
Total		295,436	17,127	312,563	367,749
Net income / (expenditure)		(115,937)	-	(115,937)	(141,771)
Gains / (losses) on investment assets		210,843	-	210,843	83,071
Net income / (expenditure)		94,906	-	94,906	(58,700)
Net Movement in Funds		94,906	-	94,906	(58,700)
Reconciliation of funds					
Total funds brought forward		2,972,549	-	2,972,549	3,031,249
Total funds carried forward		3,067,455	-	3,067,455	2,972,549

Company Number: 00364987

BALANCE SHEET**As at 31st December 2021**

	Notes	2021		2020	
		£	£	£	£
Fixed Assets					
Tangible assets	6	78,866		87,559	
Investments	7	<u>2,881,879</u>		<u>2,772,612</u>	
			2,960,745		2,860,171
Current Assets					
Debtors	8	134,033		104,625	
Cash at bank and in hand		<u>19,750</u>		<u>93,195</u>	
		153,783		197,820	
Current Liabilities					
Amounts falling due within one year	9	<u>47,073</u>		<u>85,442</u>	
Net Current Assets			106,710		112,378
Net Assets			<u><u>3,067,455</u></u>		<u><u>2,972,549</u></u>
Funds					
Unrestricted:					
General unrestricted funds	10		3,067,455		2,972,549
Restricted funds	10		-		-
Total Funds			<u><u>3,067,455</u></u>		<u><u>2,972,549</u></u>

For the year ending 31st December 2021 the company was entitled to exemption from audit under section 476 and section 477 of the Companies Act 2006 relating to small companies. The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the Board of Directors:

Revd Helen Cameron
Moderator


25th May 2022

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

1. Accounting Policies - Basis of preparation

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Donations and incoming grants

Donations and grants are accounted for when received or receivable where entitlement is demonstrable.

Investment income

Incoming resources from investments are accounted for when receivable.

Grants payable

Grants are made on behalf of the Department of Health to members of the Healthcare Chaplaincy Faith and Belief Group. Grants are also paid to support various work carried out by organisations on behalf of the churches on an ecumenical basis nationally. Grants are accounted for when paid or when there is an obligation to pay.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the Independent Examiner's fees and costs relevant to strategic management.

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each tangible fixed asset over its expected useful life as follows:

1. Leasehold property improvements - straight line over the period to 31 December 2031
2. Furniture and equipment - 10% / 20% / 33% straight line

Investment properties

Investment properties are stated at market value. Realised and unrealised gains are included in the Statement of Financial Activities. No depreciation is provided on investment properties. This is a departure from the requirements of the Companies Act 2006 which requires all properties to be depreciated. The directors consider that to depreciate the properties would not give a true and fair view. Depreciation is only one of the many factors reflected in the valuation and the amount which might otherwise have been shown.

1. Accounting Policies

The investment properties are maintained to a high standard and as such their residual value is expected to be not less than their cost and therefore the depreciation is immaterial to the accounts. Impairment reviews are carried out on an annual basis by the Board. The directors consider that this accounting treatment results in the financial statements giving a true and fair view.

Listed Investments

Listed investments are shown at market value. Realised and unrealised gains are disclosed in the Statement of Financial Activities.

Funds

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general fund.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs.

2. Income and endowments from Charitable Activities: Grants

	2021	2020
	£	£
Restricted Funds		
Departm't of Health - Health Care Chaplaincy	250	-
Methodist Church - Prison Chaplaincy	10,000	20,000
Culham ST Gabriels's - Education Project	4,000	-
Westhill Endowment - Education Project	2,500	-
Total	<u>16,750</u>	<u>20,000</u>

3. Expenditure on: Charitable Activities

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Grants payable:				
Ministerial counselling service	-	-	-	1,820
Other - The Welcome Directory	-	-	-	-
	-	-	-	1,820
Direct expenditure:				
General	177,015	-	177,015	179,222
Health Care Chaplaincy (HCC)	28,717	627	29,344	22,357
Public Affairs Project	-	-	-	39,720
Education officers	57,099	6,500	63,599	81,491
Prison Chaplaincy	29,815	10,000	39,815	40,933
	292,646	17,127	309,773	363,723
Total	292,646	17,127	309,773	365,543

4. Directors' Emoluments and Staff Costs

Staff costs during the year were:	2021	2020
	£	£
Wages and salaries	192,495	190,792
Social security costs	13,831	12,104
Pension contributions	17,633	37,489
Total	<u>223,959</u>	<u>240,385</u>

No employees received remuneration greater than £60,000.

The average number of employees during the year was:	2021	2020
	Number	Number
Direct charitable activities	4	4
Management and administration	2	2
Total	<u>6</u>	<u>6</u>

Total compensation paid to key management personnel in the year amounted to £45,142 (2020: £45,142).

Directors' emoluments, including pension benefits, amounted to £nil (2020: £nil).

Expenses reimbursed to two (2020: five) directors for travel, subsistence and conference expenses were £436 (2020: £1,366).

5. Net Income / (Expenditure)

Net incoming resources is stated after charging:	2021	2020
	£	£
Independent Examiner's Fee	2,130	2,100
Depreciation	8,693	11,111

6. Tangible Fixed Assets

	Furniture and Equipm't	Leasehold Property Improvem't	Total
Cost	£	£	£
At 1 January 2021	24,726	234,444	259,170
At 31 December 2021	<u>24,726</u>	<u>234,444</u>	<u>259,170</u>
Depreciation			
At 1 January 2021	23,921	147,690	171,611
Charge for the year	805	7,888	8,693
At 31 December 2021	<u>24,726</u>	<u>155,578</u>	<u>180,304</u>
Net Book Value			
At 31 December 2021	-	78,866	78,866
At 31 December 2020	<u>805</u>	<u>86,754</u>	<u>87,559</u>

Leasehold property improvements were effected during preceding years to the London headquarters of the company which it occupies under the terms of a lease due to expire in 2032.

7. Investments

	UK Listed Investments General Funds	Investment Properties General Funds	Total
	£	£	£
Market Value			
At 1 January 2021	1,622,612	1,150,000	2,772,612
Increase on revaluation in year	210,843	-	210,843
Redeemed in year	(101,577)	-	(101,577)
At 31 December 2021	<u>1,731,878</u>	<u>1,150,000</u>	<u>2,881,878</u>
Historic Cost			
At 1 January 2021	1,459,902	667,881	2,127,783
Redemption in year	(86,852)	-	(86,852)
At 31 December 2021	<u>1,373,050</u>	<u>667,881</u>	<u>2,040,931</u>

The UK listed investments portfolio is made up of UK fixed interest stocks and equities, all quoted/listed within the UK. Investments which made up over 5% of the value of the portfolio are as follows:

	2021	2020
	%	%
COIF ethical income units	92.10	90.89
COIF fixed interest units	0.00	1.73
COIF property fund units	7.90	7.38

The investment properties were revalued at estimated open market value by the Directors in 2013, the directors do not believe that the market value has changed significantly since then.

8. Debtors

	2021	2020
	£	£
Trade debtors	24,838	29,205
Prepayments and accrued income	108,686	75,420
Total	<u>133,524</u>	<u>104,625</u>

9. Current Liabilities: Amounts Falling Due Within One Year

	2021	2020
	£	£
Accruals	2,142	41,862
Deferred rental income	10,625	10,625
Other Creditors	34,016	32,955
Total	<u>46,783</u>	<u>85,442</u>

10. Funds

	01-Jan-21	Transfers between funds	Income	Expend iture	Gains / (Losses)	31-Dec-21
	£		£			£
Unrestricted Funds:						
General reserve	106,008	195,506	179,499	(295,436)	-	185,577
Investment reserve	1,553,831	(180,781)	-	-	-	1,373,050
Investment revaluation reserve	162,710	(14,725)	-	-	210,843	358,828
Property reserve	667,881	-	-	-	-	667,881
Property revaluation	482,119	-	-	-	-	482,119
Total unrestricted	2,972,549	-	179,499	(295,436)	210,843	3,067,455
Restricted Funds						
Healthcare Chaplaincy	-	-	627	(627)	-	-
Prison Chaplaincy	-	-	10,000	(10,000)	-	-
Education	-	-	6,500	(6,500)	-	-
Total restricted	-	-	17,127	(17,127)	-	-
Total Funds	2,972,549	-	196,626	(312,563)	210,843	3,067,455

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as a general fund. Investments and Property assets are represented as separate funds distinguishing between cost and revaluations as these funds are not available for day to day expenditure.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs. During the year a grant from the Methodist Church was restricted to the costs of prison chaplaincy.

11. Analysis of Net Assets Between Funds

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Unrestricted Funds				
General unrestricted funds	78,866	2,881,879	106,710	3,067,455
Restricted Funds	-	-	-	-
Total Funds	78,866	2,881,879	106,710	3,067,455

12. Comparative Statement of Financial Activities by fund type

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Income and endowments from:			
Donations and legacies:			
Member church subscriptions	19,178	-	19,178
Donations	3,301	-	3,301
Charitable activities:			
Grants	-	20,000	20,000
Other trading activities:			
Rental income	33,197	-	33,197
Investments:			
UK listed investments	54,035	-	54,035
Rental properties	92,500	-	92,500
Other	99	-	99
Other			
Conference Fees	(94)	-	(94)
Other	3,762	-	3,762
Total	205,978	20,000	225,978
Expenditure on:			
Investment management costs:			
Property management costs	2,206	-	2,206
Charitable activities			
Grants payable	1,820	-	1,820
Other	336,058	27,665	363,723
Total	340,084	27,665	367,749
Net income / (expenditure)	(134,106)	(7,665)	(141,771)
Gains / (losses) on investment assets	83,071	-	83,071
Net income / (expenditure)	(51,035)	(7,665)	(58,700)
Net Movement in Funds	(51,035)	(7,665)	(58,700)

13. Related Parties and Control

The General Secretary had day to day control of the charity. The trustees have overall control of the charity.

Previously Eric Southwick & Co Charity Accountants was appointed to provide the services of Finance Officer to the charity. Eric Southwick & Co Charity Accountants is controlled by E Southwick, a director / trustee of The Free Church Federal Council (Incorporated). E Southwick declared his interest in Eric Southwick & Co Charity Accountants and was absent from discussions and took no part in the decision to appoint Eric Southwick & Co Charity Accountants.

The remaining directors were satisfied that it was in the best interests of The Free Church Federal Council (Incorporated) to appoint Eric Southwick & Co Charity Accountants and did so under the authority provided within the company's Articles of Association. The cost of these services in the year was £12,000.

Previously Charis Communications was appointed to provide services to support the development of the charity's website and to increase the charity's use of social media.

Charis Communications engages the services of the Rev Dr H Osgood and Rev T Howard is one of its directors, both are directors / trustees of The Free Church Federal Council (Incorporated).

The Rev Dr H Osgood and Rev T Howard declared their interests in Charis Communications and were absent from discussions and took no part in the decision to appoint Charis Communications.

The remaining directors were satisfied that it was in the best interests of The Free Church Federal Council (Incorporated) to appoint Charis Communications and did so under the authority provided within the company's Articles of Association. The cost of these services in the year was £4,800.

THE FREE CHURCH FEDERAL COUNCIL (INCORPORATED)

England & Wales - Charity number 236878

Accounts



ANNUAL REPORT 2020

Free Church Federal Council (Incorporated)

Email: fcg@freechurches.org.uk

Website: <https://www.freechurches.org.uk/>

27 Tavistock Square,
London, WC1H 9HH
Tel: 0203 651 8338

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COMPANY INFORMATION

Company number	00364987
Charity number	236878
Directors / Trustees (as at date of report)	Revd Dr Hugh Osgood (Moderator) Revd Helen Cameron (Moderator-Elect) Mr Eric Southwick (Treasurer) Pastor Joshua Bandele Revd James Breslin Mrs Yvonne Campbell Revd Deseta Davis Major David Evans Revd Trevor Howard Revd Christopher Whiteley Revd Daniel Yarnell
General Secretary	Revd Paul Rochester
Registered Office	27 Tavistock Square, London, WC1H 9HH.
Bankers	CAF Bank Limited 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ.
Solicitors	Ashtons Legal Waterfront House, Wherry Quay, Ipswich, Suffolk, IP4 1AS.
Independent Examiner	Mark Heaton FCCA DChA FCIE K M 1st Floor, Block C, The Wharf, Manchester Road, Burnley, Lancashire, BB11 1JG.
Fund Managers	CCLA Investment Management Ltd COIF Charity Funds 85 Queen Victoria Street, London, EC4V 4ET.
Property Agents	Curchod & Co Portmore House, 54 Church Street, Weybridge, Surrey, KT13 8DP.

DIRECTORS' REPORT

The Trustees present their annual report with the accounts for the year ended 31 December 2020. The accounts comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association, Financial Reporting Standard 102 and follow the recommendations in 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).

PROMOTING WITNESS IN THE PUBLIC SQUARE

Strategic Highlights

The Free Churches, the operating arm of the Free Church Federal Council (Incorporated), faced challenging times in 2020 as the coronavirus pandemic disrupted its business along with many organisations around the world. However, the Free Churches successfully adapted to new ways of working, continuing to focus on delivering its business objectives through using electronic platforms for meeting and conferences. This was a significant change to the way business was usually done but it allowed the Free Churches to engage a wider audience and led to the development of new relationships, which should prove beneficial for future years.

The following three new directors joined the Board in March 2020, Revd Yvonne Campbell, Revd Daniel Yarnell and the Revd Canon Helen Cameron. Revd Helen Cameron was elected the new chair of the Board from March 2020. She was also elected as the next Moderator of the Free Churches and will take up that appointment in April 2022. She is a Methodist presbyter and Chair of the Northampton District of the Methodist Church. Revd Helen Cameron brings a vast amount of experience and insight in ecumenism and faithful Christian witness, which will be helpful to the work of the Free Churches in the coming years.

The Free Churches work programme continued to focus on the five-year strategy (2019-2023), which sets out several key objectives for the business. The strategy highlighted the need to strengthen and clarify the chaplaincy endorsement services, which the Free Churches provide for the Prison and Healthcare sectors. Significant progress has been made in both areas. This has been supported by developments in communications, using the website and social media. Charis Communication was retained as a contractor, to support the communication work. The Free Churches monthly electronic newsletter has helped to extend communications with local free churches and a wider range of stakeholders. The current circulation list for the newsletter is over 600 individuals and growing.

The Free Churches strategy highlights the need to engage more specifically with those Free Churches situated in rural communities. Although there was not significant progress in this area of work, we continued to provide financial support for Free Church involvement in the Churches Rural Group.

The Group Members increased to twenty-six as two new Free Church denominations joined the Free Churches in 2020. The Free Churches were pleased to welcome the Joint Council of Churches for All Nations and the Order of St Leonard. We are looking forward to working with these denominations and believe that the new relationship will be mutually beneficial.

We were unable to celebrate the Free Churches 80th Anniversary as planned because of the coronavirus pandemic. The meeting for Free Churches, which was due to take place at the Methodist Central Hall in Westminster and jointly hosted with the Methodist Church, was cancelled. We aim to look for opportunities in 2021 to reflect on the proud history of the Free Churches as we promote the exciting vision and plans for the coming year.

Strategic Highlights (Continued)

The publication of the report from the Commission on the Church and Social Cohesion at the end of the year was very successful and allowed us to celebrate the Free Churches history and the unique contribution that local churches are making to nurture social cohesion in communities across England.

The Commission on the Church and Social Cohesion

The Commission report, entitled - *'The Church and Social Cohesion: Connecting Communities and Serving People'* was launched on the 26th November 2020. In addition, there were two excellent *"How to Booklets"* for the churches seeking to foster social cohesion and statutory bodies wishing to work with churches. These booklets should help in an ongoing conversation about social cohesion and the positive role played by churches, with an eye on the scope to strengthen and improve what is already being done for the benefit of communities across the country. The coronavirus pandemic has illuminated the disparities between different socio-economic and ethnic groups. For example, we have seen higher infection and death rates amongst the Black community, and the move to online teaching because of school closures has inadvertently disadvantaged children from poorer backgrounds.

We believe that the Commission's report and booklets will contribute to the conversations that will need to take place after the most severe effects of the coronavirus pandemic are behind us and communities seek to rebuild. There are some key findings and principles for nurturing cohesive communities and engaging churches in that work. Cohesive communities do not just happen but must be consciously and sensitively cultivated by Government and leaders in the community working together.

An online launch event was held in partnership with Faith Action. We were pleased to have the Rt Hon Stephen Timms MP supporting that launch. A pre-launch event was also held for the Free Churches Group members, which was led by the Moderator of the Free Churches Group, Revd Hugh Osgood.

We are grateful for the financial support from Westhill Trust and for the work that Theos Think Tank did in carrying out the research.

Other business

The Free Churches continued to work closely with the Government. There were several meetings in response to the pandemic and the Free Churches used its platform to create a two-way communication process between the Government and the Free Churches, working with the other ecumenical bodies. The availability of online meetings has increased engagement with Government Ministers and officials.

The 'Black Lives Matter' protests, which erupted worldwide on the back of the death of George Floyd were a seminal moment in the life of Churches. Churches played their part in raising concerns about the need to tackle racial injustice. The Free Churches was involved in putting on webinars, starting a new education project and working with the other ecumenical bodies on a church response.

Education

In terms of Education, the Chair of the Free Church Education Committee, Graham Handscombe, has been appointed to serve a full term after his temporary appointment. He is working with the Education Secretary to strategically bring together the work on Schools and Further and Higher Education. Several formal contributions have been submitted to Government consultations on education policy.

Education (Continued)

We have started to collate information on the Free Churches Chaplains working in Higher Education. This is work in progress, but an excellent start has been made. It has enabled the Education Secretary to start providing support services and webinars for Higher Education chaplains using the Zoom platform at a stressful time for students and those working in Higher Education establishments.

Relationships are being developed with MPs who are supportive of the Education work from a Free Church perspective. This is helping to raise the profile of the Free Churches in the public square.

We have worked with RE Today on developing anti-racist teaching material for teachers of Religious Education in both primary and secondary schools to forward the agenda of racial justice. This teaching material is now available on the Free Churches website. The work was funded by Westhill Trust.

Prison Chaplaincy

2020, as in most sectors of life has been unlike any other in Prison Chaplaincy. As an organisation the need to respond professionally to the increased needs of Prison Chaplains working across England and Wales has been both a challenge and an honour. Very early on in the year we worked with Her Majesty's Prison and Probation Service (HMPPS) Chaplaincy to ensure that all chaplains, including Volunteer Chaplains were recognised as key workers. Due to this recognition, they have maintained a valued presence in establishments throughout the crisis. Our encouragement has been to ensure that where medically safe, legal and appropriate Free Churches Chaplains were available to prisons as required. The increased pastoral load inherent to a time of emotional and physical crisis has meant that this requirement has indeed always been present, and indeed often hugely valued. We celebrated this year, with joy, when a long-standing Free Churches Prison Chaplain was honoured by the Queen in receiving an OBE for his outstanding work during the initial phases of the Coronavirus pandemic.

Our working relationship with HMPPS Chaplaincy has continued to develop and has been particularly productive in seeking innovative ways to equip establishments and their chaplains to meet the needs of residents and prison staff. Media solutions such as regular broadcasts on National Prison Radio, offering of shared resources digitally for chaplains to offer to prisoners no longer able to access communal worship and producing 'televised' services for those prisons equipped with Digital Prisons systems have all been ways that the Free Churches have practically co-operated in this relationship. Towards the end of the year HMPPS announced significant changes in the ways it is seeking to organize and fund Faith and Belief advice. The Free Churches has warmly welcomed these developments and look forward to working under the new arrangements in 2021.

The over-representation of Black, Asian and Minority Ethnic (BAME) people in prisons has been a driving concern for Free Churches since its move into the area of Prison Chaplaincy endorsement and support in 2011. This year has offered us the opportunity to take this forward significantly, responding through social media to the concerns raised through the "Black Lives Matters" protests. In addition, formulating a response to the progress of the actions recommended by Lammy Review into disproportionate way the BAME people have been affected within the Criminal Justice System.

In 2020 the work carried out together with the Edward Cadbury Centre over the last 18 months has seen the development of a Webinar series "Racial Justice / Criminal Justice; What can your church do" This response coincides with the launch of the Commission on the 'The Church and Social Cohesion' and informs church and chaplaincy leadership on practical steps which as communities of faith we can all take to change the culture that has accepted over-representation within all areas of Criminal Justice as being inevitable.

Prison Chaplaincy (Continued)

The first webinar, with an Anglican Bishop, Senior Police Officer and Senior black-majority Church leader explored areas of trust and distrust, offering ways institutions could seek to operate more transparently, and practical approaches that faith communities could take. In 2021 we seek to develop this series further, looking at subjects such as “Accountability”, “Engaging Communities Effectively”, and “improving Knowledge”.

The Prison Service has been recognized as having responded well to the threat of coronavirus pandemic in its lockdown approach to saving lives. Prison chaplains have continued to be on the front line of this response. Chaplains have seen their role becoming focused on caring pastorally, often in 1:1 settings, sometimes wearing Personal Protection Equipment (PPE), always with compassion for those increasingly affected by the deaths of relatives, sickness of colleagues, and threat to their own wellbeing.

Through careful Risk Assessment and compassionate commitment prison chaplains have continued in the face of these adversities and increased demand to offer an extraordinary service to all who live and work in the prison establishments across England and Wales. In supporting these chaplains, the Free Churches is proud to serve those who are so selflessly serving others.

Healthcare Chaplaincy

Healthcare chaplains were extremely busy during the year and faced struggles with the consequences of the COVID-19 pandemic. Although the national statistics suggested that things were improving by the end of the year, in most hospitals and other healthcare settings, chaplains were reporting that it didn't feel like that on the ground. The chaplains support for patients, their relatives and the staff has been recognised and, more than ever, their role has been valued.

The Free Churches Secretary for Healthcare Chaplaincy had a very busy, but very fulfilling year. She was pleased to serve and support Free Church healthcare chaplains in ways that could not have been predicted at the beginning of the year. What began as a one-off email of resources developed into weekly emails that connected Free Churches healthcare chaplains, allowing them to support each another, as well as drawing on the Secretary's support and advice. This support service was extended to chaplains across the breadth of churches in England and Wales.

The Free Church register of chaplains was updated. Working with the Free Church Steering Committee for Healthcare Chaplains, the Secretary for Healthcare Chaplains updated the core endorsement documents and the relevant section of the Free Churches' website. This work is critical in supporting the future of healthcare chaplaincy and will feed into the work at national level.

A very successful Annual Study Day was held in November via Zoom, which was attended by nearly 70 chaplains from the UK and abroad. In collaboration with our Education and Prison Secretaries, an online webinar on Reflective Practice was held. More joint events are being planned. Weekly 'Tea & Chat' sessions were held on Zoom for mutual support. Zoom has been a great enabler this past year.

The Healthcare Secretary continued to teach on the Regents College Masters Course and the Beginning Chaplaincy course for newly appointed healthcare chaplains based at St Padarn's, Llandaff. As the Free Church representative on the Network for Pastoral, Spiritual and Religious Care in Health (NPSRCH), she was involved in the rewriting of the Exploring Healthcare Chaplaincy course (previously Starting Out in Healthcare Chaplaincy).

Other Activities

We did not hold the Annual Lecture to support the Dissenting Deputies this year but aim to resume that work in 2021.

Our membership of the Churches Legislation Advisory Service (CLAS) continued to offer information about the development of Government policies, which relate to church life and social issues where, for example, the Free Churches have a strong view or specific concerns. Some Free Church denominations have individual membership of CLAS and so the Free Churches representation primarily benefits the smaller denominations. The Free Churches membership of CLAS has provided a route for some of the Free Churches Group Members to contribute to Government consultations where a collective response was helpful. The General Secretary has continued to act as a trustee of CLAS.

The Free Churches has joined the UK Freedom of Religion and Belief Forum. The Free Churches needs to build on this area of work in 2021.

The Free Churches has continued its membership of the Churches Counselling Ministerial Service. We will be giving more thought to promoting this service to those Free Church denominations that are currently not using the service. The mental health challenges of dealing with the coronavirus pandemic and the lockdown will have affected ministers along with many other groups. Ministers may therefore need counselling support as they recover from ministering during the lockdown and adjust to the new normal.

We have held four Board meetings and two group meetings, the majority of which were online. The Board link-directors have continued to support the work of the Free Church committees for Healthcare and Prison Chaplaincy and Education. There have been changes to the committees with new people joining and others moving on. We are grateful to the people from our membership who have volunteered to work on the committees. The committees play a key role in the development of the vision and work in the Free Churches' core areas of work.

Human Resources

The office at 27 Tavistock Square was mostly closed from March to the end of the year. Visits to the office were primarily to look after the building and to pick up post. We did furlough one member of staff for six-months who was not required to work because of the office closure.

The Revd Mark Newitt was recruited as the new Secretary for Healthcare Chaplaincy. Mark is an experienced chaplain who also works at the national level in the healthcare sector. He will take up his appointment at the beginning of March 2021. He succeeds Revd Meg Burton who had been covering the post for 2020 on a temporary basis. Meg has done an excellent job in taking forward the healthcare chaplaincy work.

Financial Highlights

As mentioned previously, Free Churches has been successful in securing funding from the Westhill Trust to support some of the Commission. It has also secured funding to carryout projects in the education field.

Looking Ahead

“Building Back Better” as we recover from the pandemic will present challenges and opportunities in 2021.

We have made good progress in 2020 despite the challenging operating environment due to the coronavirus pandemic. In 2021, we expect the use of online conference/meeting platforms to continue playing a key role in the way the Free Churches operates, even when we get back to some sort of normality. The hybrid approach to meetings and conferences will enable us to

Looking Ahead (Continued)

build on the things that have worked well in 2020, whilst recognising the importance and need for 'face to face' meetings. The economic benefit and convenience of online meetings will create new opportunities and challenges for the business.

In 2021, we aim to build new partnerships to do the things we believe need doing, as more can be done working with others. The benefits of pooling resources and bringing together expertise we have with those of other organisations should allow us to achieve more.

Structure, Governance and Management

The Free Church Federal Council (Incorporated) is a company limited by guarantee (company number 00364987) and a registered charity (charity number 236878). The governing instrument of the charitable company is the Memorandum and Articles of Association.

The charity is the incorporated body of, and uses the working name of, the Free Churches, an unincorporated association, whose members are representatives of its constituent denominations who subscribe to the Doctrinal Statement of the Free Churches.

The members of the company are representatives of the constituent denominations who are members of the Free Churches Group, together with the officers of the Free Churches. They meet as "The Group Meeting" to identify the particular beliefs and values which are held in common and agree the company's objectives.

The directors (who are also trustees for the purposes of charity law) are elected by the company members, seeking the necessary financial and legal skills for the task from within the constituent denominations. They are responsible for financial policy.

The directors / trustees who served during the year were:

Pastor Joshua Bandele
 Revd James Breslin
 Revd Helen Cameron (Moderator-Elect)
 Mrs Yvonne Campbell
 Revd Deseta Davis
 Major David Evans
 Revd Trevor Howard
 Revd Dr Hugh Osgood (Moderator)
 Mr Eric Southwick (Treasurer)
 Revd Christopher Whiteley
 Revd Daniel Yarnell

Directors meetings are chaired by the Moderator. Those new to the work of the company meet with the General Secretary to receive an orientation on the work of the Free Churches.

The day-to-day work of the company was delegated to the General Secretary, Revd Paul Rochester, who reported directly to the Board of Directors. The officers responsible for the healthcare and prison chaplaincy, and education programmes of the Free Churches are supported by specialist committees to shape these areas of work.

Objectives and Activities

The principal object of The Free Church Federal Council (incorporated) (FCFC) is "the advancement of the Christian religion." The furtherance of the object takes place through the work of the Free Churches by means such as evangelistic, educational, training and business activities or other meetings as deemed necessary from time to time. Free Churches promotes faithful witness in the public square with a focus, but not solely, on chaplaincy work in Prisons and Healthcare and faith in Education.

Objectives and Activities (Continued)

Free Churches express the unity in Christ that is shared by Free Churches in England and Wales by promoting fellowship, shared counsel and working together to extend Christ's kingdom in every sphere of society. This is done whilst recognising that each Group Member remains at liberty to fulfil its own distinctive witness and mission. There are currently 26 denominations and Church groups that are members of Free Churches.

Free Churches core areas of work involve the fields of Healthcare and Prison Chaplaincy and faith in Education, promoting faithful witness in the public square and enabling Free Church engagement.

Public Benefit

The Free Churches purpose is in the support of its member church denominations in their mission across England and Wales. In as much as this mission is founded in and seeks to express the unconditional love of God, the benefits of all that the Free Churches seeks to do are understood to be 'public' and for the benefit of the wider society. Member churches and their congregations express this through public worship and in service to the communities in which they are set.

The Free Churches upholds a right to the freedom of expression of religious faith. This has come out of a particular historical context but finds expression afresh in the current time and is understood to have application wider than the Free Churches own membership.

The Free Churches particular engagement with education, health care, prisons and the legislative governance of the nation, amongst other things, is evidential of a commitment to wider society and a concern for public wellbeing.

Particular examples include:

- Engagement in the training of hospital chaplains and their on-going professional development contributes to the quality of a service offered to all patients and hospital staff and to ensure patient trust and safety.
- The support of SACRE representatives in local authorities serves to ensure the appropriate balance in religious education curricula.
- The developed Faith Endorsement criteria of Prison Chaplains ensures that both Public and Private Sector prisons are well served by a diverse range of professional ministers to work as Chaplains in prisons.

Financial Review

Income derives mainly from investment returns on both listed investments and property. This is supplemented by subscriptions from member churches and other activities. In addition, specific grants have been received, for restricted purposes, to support the work in Healthcare and Prisons. Income remained comparable to previous years apart from grant income which has increased. Grants are made at the directors' discretion.

Total expenditure has been in line with that incurred in the previous year. This has resulted in a net deficit of £141,771 in the general fund which, together with a £83,071 gain on investments, has been transferred from reserves.

Risk Review

The directors undertake each year a wide-ranging appraisal in order to identify the major risks to which the charity is exposed. Steps are taken with a view to mitigating these risks as far as is reasonably possible.

The directors are aware that the continued financial stability of the charity relies on the continued performance and growth of the charity's investments. They believe their regular review of quoted investments, aided by information from the fund managers, largely mitigates this risk as far as possible.

Investment Powers and Policy

The investment powers of the charity are contained in the Articles of Association and include the power to appoint investment managers. The directors may invest any funds not immediately required by the charity into such securities, property and other investments as they consider greatest overall benefit to the charity, in line with the charity's objectives.

The directors' current policy is to invest in gilt edged securities or investment units with managers of common investment funds: Epworth Investment Management Limited and freehold commercial properties. Surplus funds held for the shorter term are placed in CCLA Investment Management Limited's COIF Charity Fund Deposit Account, which has consistently provided a rate of return higher than that available from a bank.

Reserves Policy

It is the policy of the directors to ensure that the charity has adequate reserves to enable it to meet both its ongoing commitments in respect of general charitable activities and its future funding requirements. The directors have assessed this with the aim of achieving reserves equivalent to one year's on-going expenses plus any known existing and future liabilities. This would require free reserves of around £300,000. Free reserves as at 31 December 2020 stood at £106,008 (2019: £234,043).

The charitable activities are largely financed from the yield on invested reserves. It is the long-term policy of the board to maintain the real value of invested reserves and apply their annual yield (interest, dividends, rents and a proportion of any growth in value) to funding the work of the Free Churches. The directors consider the level of reserves at the year-end to be sufficient for the current requirements of the charity but will continue to review the overall position and policy at regular intervals.

Independent Examiner

Mark Heaton FCCA DChA FCIE of KM, Chartered Accountants, has been appointed as the charitable company's Independent Examiner. A resolution proposing the reappointment of Mark Heaton will be put to the Annual General Meeting.

Statement of Directors' Responsibilities

The directors, who also act as trustees, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors (who are also trustees for the purposes of charity law) to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including income and expenditure, of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Statement of Directors' Responsibilities (Continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board



General Secretary: Revd Paul Rochester



Chair of the FCFC: Revd Helen Cameron

31st March 2021

MEMBER DENOMINATIONS

Assemblies of God
Baptist Union of Great Britain
Baptist Union of Wales
Christ Apostolic Church
Church of God of Prophecy
Church of the Nazarene
Churches in Communities International
Congregational Federation
Council of African and Caribbean Churches UK
Countess of Huntingdon's Connexion
Fellowship of Churches of Christ
Free Church of England
Free Methodist Church
Independent Methodist Churches
Joint Council of Churches for All Nations
Methodist Church
Moravian Church
New Testament Assembly
New Testament Church of God
Old Baptist Union
Order of St Leonard
Presbyterian Church of Wales
The Salvation Army
Undeb yr Annibynwyr Cymraeg
(Union of Welsh Independents)
United Reformed Church
Wesleyan Reform Union

INDEPENDENT EXAMINER'S REPORT

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st December 2020 which are set out on pages 15 to 23.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.



Mark Heaton FCCA FCIE DChA

KM Chartered Accountants
1st Floor, Block C, The Wharf,
Manchester Road,
Burnley
Lancashire
BB11 1JG

Date: 31st March 2021

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

For the year ended 31st December 2020

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Income and endowments from:					
Donations and legacies:					
Member church subscriptions		19,178	-	19,178	19,585
Donations		3,301	-	3,301	-
Charitable activities:					
Grants	2	-	20,000	20,000	68,000
Other trading activities:					
Rental income		33,197	-	33,197	46,356
Investments:					
UK listed investments		54,035	-	54,035	58,730
Rental properties		92,500	-	92,500	92,500
Other		99	-	99	147
Other					
Conference Fees		(94)	-	(94)	3,078
Other		3,762	-	3,762	5,941
Total		205,978	20,000	225,978	294,337
Expenditure on:					
Investment management costs:					
Property management costs		2,206	-	2,206	1,353
Charitable activities					
Grants payable	3	1,820	-	1,820	2,720
Other	3	336,058	27,665	363,723	377,531
Total		340,084	27,665	367,749	381,604
Net income / (expenditure)		(134,106)	(7,665)	(141,771)	(87,267)
Gains / (losses) on investment assets		83,071	-	83,071	193,481
Net income / (expenditure)		(51,035)	(7,665)	(58,700)	106,214
Net Movement in Funds		(51,035)	(7,665)	(58,700)	106,214
Reconciliation of funds					
Total funds brought forward		3,023,584	7,665	3,031,249	2,925,035
Total funds carried forward		2,972,549	-	2,972,549	3,031,249

Company Number: 00364987

BALANCE SHEET

As at 31st December 2020

	Notes	2020		2019	
		£	£	£	£
Fixed Assets					
Tangible assets	6	87,559		98,670	
Investments	7	<u>2,772,612</u>		<u>2,789,541</u>	
			2,860,171		2,888,211
Current Assets					
Debtors	8	104,625		49,208	
Cash at bank and in hand		<u>93,195</u>		<u>143,776</u>	
		197,820		192,984	
Current Liabilities					
Amounts falling due within one year	9	<u>85,442</u>		<u>49,946</u>	
Net Current Assets			112,378		143,038
Net Assets			<u>2,972,549</u>		<u>3,031,249</u>
Funds					
Unrestricted:					
General unrestricted funds	10		2,972,549		3,023,584
Restricted funds	10		-		7,665
Total Funds			<u>2,972,549</u>		<u>3,031,249</u>

For the year ending 31st December 2020 the company was entitled to exemption from audit under section 476 and section 477 of the Companies Act 2006 relating to small companies. The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

Directors' responsibilities:

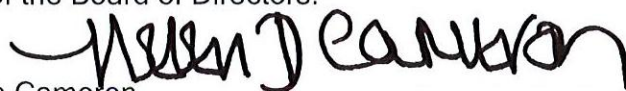
The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the Board of Directors:

Revd Helen Cameron
Moderator-Elect



31st March 2021

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2020

1. Accounting Policies

Basis of preparation

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Donations and incoming grants

Donations and grants are accounted for when received or receivable where entitlement is demonstrable.

Investment income

Incoming resources from investments are accounted for when receivable.

Grants payable

Grants are made on behalf of the Department of Health to members of the Healthcare Chaplaincy Faith and Belief Group. Grants are also paid to support various work carried out by organisations on behalf of the churches on an ecumenical basis nationally. Grants are accounted for when paid or when there is an obligation to pay.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the Independent Examiner's fees and costs relevant to strategic management.

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each tangible fixed asset over its expected useful life as follows:

Leasehold property improvements	- straight line over the period to 31 December 2031
Furniture and equipment	- 10% / 20% / 33% straight line

Investment properties

Investment properties are stated at market value. Realised and unrealised gains are included in the Statement of Financial Activities. No depreciation is provided on investment properties. This is a departure from the requirements of the Companies Act 2006 which requires all properties to be depreciated. The directors consider that to depreciate the properties would not give a true and fair view. Depreciation is only one of the many factors reflected in the valuation and the amount which might otherwise have been shown. The investment properties

1. Accounting Policies (continued)

are maintained to a high standard and as such their residual value is expected to be not less than their cost and therefore the depreciation is immaterial to the accounts. Impairment reviews are carried out on an annual basis by the Board. The directors consider that this accounting treatment results in the financial statements giving a true and fair view.

Listed Investments

Listed investments are shown at market value. Realised and unrealised gains are disclosed in the Statement of Financial Activities.

Funds

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general fund.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs.

2. Income and endowments from Charitable Activities: Grants

	2020	2019
	£	£
Restricted Funds		
Departm't of Health - Health Care Chaplaincy	-	45,000
Departm't of Health - Multi Faith Group re Health Care Chaplaincy	-	3,000
Methodist Church - Prison Chaplaincy	20,000	-
Westhill Endowment - The Commssion	-	20,000
Total	<u>20,000</u>	<u>68,000</u>

3. Expenditure on: Charitable Activities

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Grants payable:				
Ministerial counselling service	1,820	-	1,820	1,720
Other - The Welcome Directory	-	-	-	1,000
	<u>1,820</u>	<u>-</u>	<u>1,820</u>	<u>2,720</u>
Direct expenditure:				
General	179,222	-	179,222	180,797
Health Care Chaplaincy (HCC)	14,692	7,665	22,357	38,038
Public Affairs Project	-	39,720	39,720	24,000
HCC Advisors Panel	-	-	-	1,775
Multifaith/Faith and Belief Group	-	-	-	13,256
Education officers	81,491	-	81,491	72,637
Prison Chaplaincy	20,933	20,000	40,933	47,028
	<u>296,338</u>	<u>67,385</u>	<u>363,723</u>	<u>377,531</u>
Total	<u>298,158</u>	<u>67,385</u>	<u>365,543</u>	<u>380,251</u>

4. Directors' Emoluments and Staff Costs

Staff costs during the year were:	2020	2019
	£	£
Wages and salaries	190,792	194,405
Social security costs	12,104	14,768
Pension contributions	37,489	17,757
Total	<u>240,385</u>	<u>226,930</u>

No employees received remuneration greater than £60,000.

The average number of employees during the year was:	2020	2019
	Number	Number
Direct charitable activities	4	4
Management and administration	2	2
Total	<u>6</u>	<u>6</u>

Total compensation paid to key management personnel in the year amounted to £45,142 (2019: £44,695).

Directors' emoluments, including pension benefits, amounted to £nil (2019: £nil).

Expenses reimbursed to five (2019: seven) directors for travel, subsistence and conference expenses were £1,366 (2019: £4,862).

5. Net Income / (Expenditure)

Net incoming resources is stated after charging:	2020	2019
	£	£
Independent Examiner's Fee	2,100	2,100
Depreciation	11,111	11,171
	<u>11,111</u>	<u>11,171</u>

6. Tangible Fixed Assets

	Furniture and Equipm't	Leasehold Property Improvem't	Total
Cost	£	£	£
At 1 January 2020	24,726	234,444	259,170
At 31 December 2020	<u>24,726</u>	<u>234,444</u>	<u>259,170</u>
Depreciation			
At 1 January 2020	20,698	139,802	160,500
Charge for the year	3,223	7,888	11,111
At 31 December 2020	<u>23,921</u>	<u>147,690</u>	<u>171,611</u>
Net Book Value			
At 31 December 2020	<u>805</u>	<u>86,754</u>	<u>87,559</u>
At 31 December 2019	<u>4,028</u>	<u>94,642</u>	<u>98,670</u>

Leasehold property improvements were effected during preceding years to the London headquarters of the company which it occupies under the terms of a lease due to expire in 2032.

7. Investments

	UK Listed Investments General Funds	Investment Properties General Funds	Total
	£	£	£
Market Value			
At 1 January 2020	1,639,541	1,150,000	2,789,541
Increase on revaluation in year	83,071	-	83,071
Redeemed in year	(100,000)	-	(100,000)
At 31 December 2020	<u>1,622,612</u>	<u>1,150,000</u>	<u>2,772,612</u>
Historic Cost			
At 1 January 2020	1,553,831	667,881	2,221,712
Redemption in year	(93,929)	-	(93,929)
At 31 December 2020	<u>1,459,902</u>	<u>667,881</u>	<u>2,127,783</u>

The UK listed investments portfolio is made up of UK fixed interest stocks and equities, all quoted/listed within the UK. Investments which made up over 5% of the value of the portfolio are as follows:

	2020	2019
	%	%
COIF ethical income units	90.89	84.63
COIF fixed interest units	1.73	7.68
COIF property fund units	7.38	7.69

The investment properties were revalued at estimated open market value by the Directors in 2013, the directors do not believe that the market value has changed significantly since then.

8. Debtors

	2020	2019
	£	£
Trade debtors	29,205	14,708
Prepayments and accrued income	75,420	34,500
Total	<u>104,625</u>	<u>49,208</u>

9. Current Liabilities: Amounts Falling Due Within One Year

	2020	2019
	£	£
Accruals	41,862	2,142
Deferred rental income	10,625	10,625
Other Creditors	32,955	37,179
Total	<u>85,442</u>	<u>49,946</u>

10. Funds

	01-Jan-20	Transfers between funds	Income	Expend iture	Gains / (Losses)	31-Dec-20
	£		£			£
Unrestricted Funds:						
General reserve	234,043	6,071	205,978	(340,084)	-	106,008
Investment reserve	1,553,831	-	-	-	-	1,553,831
Investment revaluation reserve	85,710	(6,071)	-	-	83,071	162,710
Property reserve	667,881	-	-	-	-	667,881
Property revaluation	482,119	-	-	-	-	482,119
Total unrestricted	3,023,584	-	205,978	(340,084)	83,071	2,972,549
Restricted Funds						
Healthcare Chaplaincy	7,665	-	-	(7,665)	-	-
Prison Chaplaincy	-	-	20,000	(20,000)	-	-
Total restricted	7,665	-	20,000	(27,665)	-	-
Total Funds	3,031,249	-	225,978	(367,749)	83,071	2,972,549

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as a general fund. Investments and Property assets are represented as separate funds distinguishing between cost and revaluations as these funds are not available for day to day expenditure.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs. During the year a grant from the Methodist Church was restricted to the costs of prison chaplaincy.

11. Analysis of Net Assets Between Funds

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Unrestricted Funds				
General unrestricted funds	87,559	2,772,612	112,378	2,972,549
Restricted Funds	-	-	-	-
Total Funds	87,559	2,772,612	112,378	2,972,549

12. Comparative Statement of Financial Activities by fund type

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Income and endowments from:			
Donations and legacies:			
Member church subscriptions	19,585	-	19,585
Charitable activities:			
Grants	-	68,000	68,000
Other trading activities:			
Sales	-	-	-
Rental income	46,356	-	46,356
Investments:			
UK listed investments	58,730	-	58,730
Rental properties	92,500	-	92,500
Other	147	-	147
Other			
Conference Fees	3,078	-	3,078
Other	5,941	-	5,941
Total	226,337	68,000	294,337
Expenditure on:			
Investment management costs:			
Property management costs	1,353	-	1,353
Charitable activities			
Grants payable	1,720	1,000	2,720
Other	281,181	96,350	377,531
Total	284,254	97,350	381,604
Net income / (expenditure)	(57,917)	(29,350)	(87,267)
Gains / (losses) on investment assets	193,481	-	193,481
Net income / (expenditure)	135,564	(29,350)	106,214
Transfers between funds	(4,000)	4,000	-
Net Movement in Funds	131,564	(25,350)	106,214

13. Related Parties and Control

The General Secretary had day to day control of the charity. The trustees have overall control of the charity.

Previously Eric Southwick & Co Charity Accountants was appointed to provide the services of Finance Officer to the charity. Eric Southwick & Co Charity Accountants is controlled by E Southwick, a director / trustee of The Free Church Federal Council (Incorporated). E Southwick declared his interest in Eric Southwick & Co Charity Accountants and was absent from discussions and took no part in the decision to appoint Eric Southwick & Co Charity Accountants. The remaining directors were satisfied that it was in the best interests of The Free Church Federal Council (Incorporated) to appoint Eric Southwick & Co Charity Accountants and did so under the authority provided within the company's Articles of Association. The cost of these services in the year was £12,000.

Previously Charis Communications was appointed to provide services to support the development of the charity's website and to increase the charity's use of social media. Charis Communications engages the services of the Rev Dr H Osgood and Rev T Howard is one of its directors, both are directors / trustees of The Free Church Federal Council (Incorporated). The Rev Dr H Osgood and Rev T Howard declared their interests in Charis Communications and were absent from discussions and took no part in the decision to appoint Charis Communications. The remaining directors were satisfied that it was in the best interests of The Free Church Federal Council (Incorporated) to appoint Charis Communications and did so under the authority provided within the company's Articles of Association. The cost of these services in the year was £4,800.

