

THE INDEPENDENT METHODIST ASSOCIATION (INCORPORATED)

England & Wales · Charity number 254007

Details

Status Registered

Legal form Charitable company

Company number 00092321

Registered 1967-12-14

Register [View on the Charity Commission register](#)

Contact

Address Independent Methodist Churches
The Resource Centre
Fleet Street
Wigan
Lancashire
WN5 0DS

Phone 01942223526

Email resource.centre@imchurches.org.uk

Website imchurches.org.uk

Activities

Objects: The Charity's objects are specifically restricted to promoting the extension of the Christian faith in the United Kingdom and in all or any other parts of the world through worship, education and social action that is in accord with the principles and practices of the charity as outlined in its Statements of Faith and Practice

Activities: To promote Evangelical Religion in the United Kingdom and in all or any other parts of the world according to the principles and usages for the time being of Protestants of the Denomination known as Independent Methodists.

Classification

- **How:** Makes Grants To Organisations, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** NATIONAL AND FOREIGN
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£252,581	£412,912	-	-
2023-12-31	£285,142	£457,222	-	-
2022-12-31	£469,686	£225,047	-	-
2021-12-31	£134,494	£273,718	-	-
2020-12-31	£85,172	£205,496	-	-

Trustees

Name	Role	Appointed
ALISON TIPPING		2018-07-29
Carrie Elizabeth Louise O'Nions		2022-07-30
Christopher William Woodall		2024-08-29
DAVID WILLIAM HUGHES		2023-10-28
DEBORAH CARON ROBERTS		2022-02-05
DOROTHY LYDIA KENDRICK		2019-08-04
Graham Thomas Edmondson		2024-11-30
Kay Louise White		2022-07-30
LEESA KAY CROCKATT		2014-07-27
Lisa Green		2025-07-27
MARILYN MAY RIDING		
Pauline Wendy Smith		2024-07-28
RITA GREEN-PRESCOTT		2012-10-02
Shaun Newton		
TERRY JOHN SWEET		2025-07-27
WILLIAM HAMPSON		

Linked charities

- WOMENS AUXILIARY BENEVOLENT FUND (254007-1)
- EXTENSION AND DEBT REDUCTION FUND (254007-2)
- OVERSEAS MISSION FUND (254007-3)
- MINISTERS ASSISTANCE FUND (254007-4)
- F AND B TETLOW FUND (254007-5)
- M M AND W W KAY FUND (254007-6)
- WILLIAM BURROWS EDUCATION FUND (254007-7)

THE INDEPENDENT METHODIST ASSOCIATION (INCORPORATED)

England & Wales - Charity number 254007

Accounts

Company registration number: 00092321

Charity registration number: 254007

Independent Methodist Association Incorporated (The)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

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

Independent Methodist Association Incorporated (The)

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Independent Methodist Association Incorporated (The)

Reference and Administrative Details

Trustees	Mr A Britton Mrs A L A Cheers Ms L K Crockatt Mrs R Green-Prescott Mr G T Edmondson Mr W Hampson Mr D W Hughes Mrs D L Kendrick Mr M Long Mr S Newton Mr L Ogilvie Miss C E L O'Nions Mr N H Prescott Mrs M M Riding Mrs D C Roberts Mr B A Rowney Mrs P W Smith Mr R R Stone Mrs A Tipping Ms K L White Mr C W Woodall
Principal Office	Independent Methodist Resource Centre Fleet Street Pemberton Wigan WN5 0DS
Company Registration Number	00092321
Charity Registration Number	254007
Independent Examiner	KM Chartered Accountants 1st Floor, Block C The Wharf Manchester Road Burnley Lancashire BB11 1JG
Bankers	Barclays Bank plc 6 Market Place Wigan WN1 1QS

Independent Methodist Association Incorporated (The)

Reference and Administrative Details

Advisers

Compass Financial Ltd
Kingsley Hall
20 Bailey Lane
Manchester Airport
Manchester
M90 4AN

Independent Methodist Association Incorporated (The)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2024.

Trustees

Mr A Britton

Mrs A L A Cheers

Ms L K Crockatt

Mrs R Green-Prescott

Mr G T Edmondson (appointed 30 November 2024)

Mr W Hampson

Mr D W Hughes

Mrs D L Kendrick

Mr M Long

Mr S Newton

Mr L Ogilvie

Miss C E L O'Nions

Mr N H Prescott

Mrs M M Riding

Mrs D C Roberts

Mr B A Rowney

Mrs P W Smith (appointed 28 July 2024)

Mr R R Stone

Mrs A Tipping

Mrs J A Wareing (Resigned 30 July 2024)

Ms K L White

Mr C W Woodall (appointed 29 August 2024)

Objects

The Charity's objects are specifically restricted to promoting the extension of the Christian faith in the United Kingdom and in all or any other parts of the world through worship, education and social action that is in accord with the principles and practices of the Independent Methodist Connexion of Churches.

Statement of Faith

The Independent Methodist Churches are Trinitarian, believing that God the Father is revealed through Jesus Christ his Son, who alone is Saviour of the world. The Holy Spirit makes God's saving work real in the lives of his people. On acceptance of Jesus Christ as Lord and Saviour, a person is born again and becomes a child of God by adoption.

Independent Methodist Association Incorporated (The)

Trustees' Report

Independent Methodists structure

The Association is a Charitable Company, limited by guarantee, and is responsible for the management and administration of properties and finances held in trust on behalf of, in support of, and under the direction of the self governing churches, which adhere to the principles of Independent Methodism and collectively are known as the Independent Methodist Connexion. At the year end there were 62 churches organised into ten Circuits on a geographical basis. Three of these churches are not attached to a circuit. The current trustees are the only persons who are able to be members of the company.

The effectiveness of the charity is inextricably linked with that of the member churches of the Independent Methodist Connexion, to whom it provides support in their work of ministering to their communities.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

Grants are only available to Independent Methodist churches and their members, and other Christian organisations with similar objectives. Grants to churches may be for building repairs and improvements, evangelical projects, and interim support for the employment of specialist workers. Grants can be provided to assist with personal Christian development for training or education. In general, applications are administered by the Finance Committee although, where the grant is made from certain restricted funds, another committee may administer the process in accordance with the rules of the fund.

Independent Methodist Association Incorporated (The)

Trustees' Report

Achievements and performance

In support of its objectives, the charity continues to work with churches and Circuits by administering those funds held in trust.

The Independent Methodist Connexion reports the following Achievements and performance wholly supported by the Association.

- providing training in evangelism, youth work, child protection, safeguarding and theology.
- disseminating information on legal, religious and other topics.
- providing assistance and resources for evangelical outreach.
- accrediting, as Ministers of the Connexion, persons who have undergone a course of training and have passed the appropriate examinations.
- being members of ecumenical bodies within the United Kingdom.
- supporting members of Independent Methodist churches working with missionary organisations.
- making grants to churches to assist in building repairs and extensions, and to individuals to assist in courses of study or other Christian activities.
- providing facilities and resources which would be beyond their own ability.

The Finance Committee administers the funds held by the Association, and processes applications for grants from the churches for approval by the Association. In particular, the Committee encourages churches to apply for grants to assist in evangelical work under the Kingdom Growth scheme which aims to return money from church sales to churches seeking to expand God's work in their locality. Grants totalling £142,400 (2023: £286,475) were made to churches in 2024.

The Ministry Committee runs the Ministers' Education Scheme, a four-year course of study and practical work which prepares students wishing to enter the Independent Methodist ministry. Satisfactory completion of the course (or equivalent studies) is a prerequisite to becoming accredited as an Independent Methodist Minister, though the course (or elements of it) may also be followed by those who do not seek ministerial accreditation and wish to undertake it for personal education. The committee also provides ongoing support and training for Independent Methodist Ministers, including facilities such as residential study weekends (for both Ministers and students) and discounted books. Processes for establishing a Continuing Professional Development (CPD) for accredited ministers have been established, and ministers are now encouraged to generate a 'Development Profile'.

The Church Support Group provides advice, information and support through its members and workers. It provides resources and practical help to churches in their work with the community, assistance to churches with access to low level development grants, practical help to churches in their work with the community and mission, and encouragement and discussion in developing their future plans and vision.

The Overseas Missions department promotes interest and awareness of Christian work overseas, through the Connexion magazine, making resource packs available to churches and presentations to church and youth groups. It provides financial, prayer and personal support to Independent Methodists working with missionary societies, with five people (including two couples), some working in difficult overseas situations, being supported in 2024. Financial support from the Independent Methodist Association typically covers about 20% of their requirements, the balance coming from other sources which may include individual Independent Methodist churches and members.

The Administration Group provides guidance to the churches on charity, legal and property matters as necessary. Communications is discussed as part of the Administration Group's agenda, and covers the Archives, Connexion Magazine, general issues regarding communications and the Connexional website.

The magazine is produced on a bi-monthly basis and is free to all church members, the cost being absorbed by the Association. It is made available in hard copy and electronic format, as well as being accessible via the Independent Methodist Churches website.

Independent Methodist Association Incorporated (The)

Trustees' Report

The Northwood Christian Centre operates on a non-profit making, break-even basis for worship, teaching, youth work and fellowship retreats. Voluntary support for the operations at Northwood had fallen off in recent years, partly due to Covid and related consequences, potentially affecting its ongoing viability. However, it was decided to keep the centre open until 2026 at least and to reconstitute the management arrangements, with a core programme of activities to improve its usage. During the year, a group of Christians began to use the centre as a base for outreach to the local community in High Legh, which may result in more formal links with the Connexion in due course.

Much of the above work is ongoing from year to year.

Financial review

The attached financial statements show income of £252,581, expenditure of £412,912, which after investment gains of £55,717 give a deficit of £104,614. The principal item of expenditure are grants totalling £173,950.

It is considered that sufficient funds are held in trust by the Association to continue current and future projects.

Principal funding sources

The primary sources of income in 2024 came from membership levies on churches in the Connexion and investment income.

Investment policy and objectives

It is the policy of the Finance Committee to invest in low risk assets to provide an income and maintain the capital value of investments.

The Finance Committee considers social, environmental or ethical aspects when deciding on investments.

Policy on reserves

It is the policy of the Association to hold reserves which provide for the ongoing work of the Association whilst retaining financial stability and the potential to respond to new opportunities at a Connexional level or at an individual church level. For many years, the intention has been to generate sufficient income from reserves to avoid increasing membership levies and thereby increasing the financial burden on churches in a time of declining membership and increasing regulatory compliance costs. After receiving significant income from the sale of redundant church buildings in 2022 a flat rate gift of £4,000 was made to each church during 2023 from these proceeds. However, because of the ongoing annual deficit of income over expenditure (ignoring the proceeds of church sales which cannot be relied on year-on-year), it is considered that the current level of investment reserves needs to be maintained for ongoing sustainability.

Independent Methodist Association Incorporated (The)

Trustees' Report

At the 31st December 2024 the reserves position was as follows:

Total Reserves £2,097,898 (2023 -£2,202,512).

of which:

Some were restricted in their use £32,115 (2023 -£31,446).

Some were tied up in fixed assets £206,350 ((2023 -£216,732).

Some were tied up in a loan for the sale of a former church building £66,076 (2023 -£72,116).

Balance of reserves £1,793,357 (2023 -£1,882,218).

The balance of the reserves is required for the following purposes:

- to provide further investment income to fund the continuing work of the Association, maintaining membership fees.
- to provide grants to member churches.

Consideration continues to be given to exploring innovative ways of making available funds to member churches to extend their work whilst retaining sufficient reserves to provide for the continuation of the charity's activities. However, there may be increases in the membership levies in future years.

Aims and key objectives for future periods

In support of its objectives the Association will continue to work with the Connexion whose future aims and key objectives are shown below:

A consultation was launched in 2024, seeking views on the long-term future of the denomination, in particular whether the two-tier structure of the Independent Methodist Connexion (as an unincorporated body) and the Independent Methodist Association (as a Registered Charity and a Company Limited by Guarantee) was still appropriate. As a result, the Annual Meeting of the Connexion agreed in principle to merge the two organisations, and set up a group to investigate the practicalities of so doing. The Independent Methodist Connexion is much smaller than it was when the structure was set up in 1907, and charity legislation has changed, facilitating a simpler structure should this be considered desirable. Further consultation will take place on the group's findings, and the consultation may consider changes to the membership of the Association during this next financial year. If this occurs then some further changes to recruitment and appointment of Trustees will also be required.

The various groups within the denomination continue to work together to:

- Support the churches in developing their vision for their geographic area.
- Work with the churches to identify support they will need from the denomination.
- Assess those needs for completeness and affordability.
- Deliver the agreed support.

These activities will result in a fully costed rolling programme of support spread over a number of years which will identify the finance required which will then be planned for each period.

Independent Methodist Association Incorporated (The)

Trustees' Report

Funds held as custodian Trustee

The Independent Methodist Association is the Custodian Trustee of over half the premises of churches within the Independent Methodist Connexion. Day to day running of each church is, however, in the hands of Managing Trustees, who retain control of their respective funds. The Independent Methodist Association would only hold funds in respect of these premises if the church had closed and the premises were awaiting disposal. Such churches are, in general, on a Trust Deed under which the proceeds from any sale would pass to the Independent Methodist Association as ultimate beneficiary. In some cases, the ultimate beneficiary is another body (usually a church circuit) and in those cases any associated funds are listed as assets of the church in question until they can be passed to the beneficiary on disposal of the premises.

Structure, governance and management

Nature of governing document

The charity is controlled by its Articles of Association as updated in August 2024.

Recruitment and appointment of trustees

New trustees are appointed in two ways. Designated officers of the Connexion are trustees of the Association unless disbarred by reason of also being paid employees or having a conflict of interest. Their appointment as trustees is a consequence of their selection and formal appointment to their posts at the Annual Meeting. Circuits may also nominate Representatives to Connexional Committee who, unless disbarred as above, automatically become trustees of the Association and are formally appointed at the Annual Meeting. The trustees are appointed annually at the Annual Meeting by delegates from Churches in full membership. The Connexional Officers and Representatives are also known as Connexional Committee.

Relationships with related parties

The Association is a member of the Evangelical Alliance, Churches Together in England, Churches Together in Britain and Ireland, the Free Churches Group, the National Council for Voluntary Organisations and the Association of Wesleyan Evangelicals; and is accredited as a Living Wage Employer by the Living Wage Foundation. These bodies have no authority to affect or influence our operating policies. The Association contracts with Compass Financial Ltd to invest the funds of the charity in accordance with the investment policy.

Independent Methodist Association Incorporated (The)

Trustees' Report

Major risks and management of those risks

It is reported from the Connexion of Independent Methodist Churches that the continued decline in both church membership and the number of churches in the Connexion is a matter for concern, since it calls into question the need for existing Connexional structures and, eventually, the viability of the Connexion itself. As much of the Association's income comes from the Connexion of Independent Methodist Churches then this brings into question the future level of support that the Association can continue to provide to the Connexion in the future. In the longer term, the viability of the Connexion is dependent on the strength of the churches that it supports.

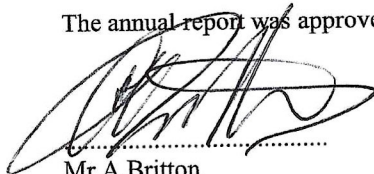
A significant potential risk is that the viability of some of the Connexion's member churches might be adversely affected, with a knock-on effect on the viability of the Connexion. In mitigation, the churches most likely to be at risk do not represent a significant part of the Association's income, and this might be offset by income from the sale of redundant buildings. Another potential effect is that the historic place of circuits within the governance and support structure may need to be reviewed if demographic changes result in this model becoming inappropriate. To some extent, this is already apparent with some circuits existing in name only and not functioning as they once did. As noted above, a consultation with the churches of the Connexion is planned for 2024, to address some of these issues.

An ongoing potential threat could arise if historic sex abuse allegations were to be made in respect of a church that had since closed. If it were not possible to identify the insurers at that time, it is possible that the Association could be held to be vicariously liable. The likelihood of such an event is considered to be low, since most churches in the Connexion chose to be insured with one particular company for which the Resource Centre once held an agency. Measures have been taken to ensure that records on insurance are retained where they still exist, and that churches are now required to confirm (via the annual return) that they have appropriate insurance, and with whom.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 17 June 2025 and signed on its behalf by:



Mr A Britton
Trustee

Independent Methodist Association Incorporated (The)

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Independent Methodist Association Incorporated (The) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Methodist Association Incorporated (The)

Independent Examiner's Report to the trustees of Independent Methodist Association Incorporated (The)

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2024 which are set out on pages 12 to 21.

Respective responsibilities of trustees and examiner

As the charity's trustees of Independent Methodist Association Incorporated (The) (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 Independent Methodist Association Incorporated (The) 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 charity'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

Since Independent Methodist Association Incorporated (The)'s gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Charity Independent Examiners, which is one of the listed bodies.

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:

1. accounting records were not kept in respect of Independent Methodist Association Incorporated (The) 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 DChA
KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

17 June 2025

Independent Methodist Association Incorporated (The)

Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
Income from:							
Donations	3	53,934	-	53,934	56,144	-	56,144
Charitable activities	4	25,096	-	25,096	6,240	-	6,240
Investment income	5	62,878	-	62,878	46,910	-	46,910
Other income	6	<u>110,673</u>	-	<u>110,673</u>	<u>175,848</u>	-	<u>175,848</u>
Total income		<u>252,581</u>	-	<u>252,581</u>	<u>285,142</u>	-	<u>285,142</u>
Expenditure on:							
Charitable activities	7	(400,977)	-	(400,977)	(446,027)	-	(446,027)
Other expenditure	8	<u>(11,935)</u>	-	<u>(11,935)</u>	<u>(11,195)</u>	-	<u>(11,195)</u>
Total expenditure		<u>(412,912)</u>	-	<u>(412,912)</u>	<u>(457,222)</u>	-	<u>(457,222)</u>
Net expenditure		(160,331)	-	(160,331)	(172,080)	-	(172,080)
Other recognised gains and losses							
Gains/losses on revaluation of fixed assets		<u>55,048</u>	<u>669</u>	<u>55,717</u>	<u>88,909</u>	<u>1,080</u>	<u>89,989</u>
Net movement in funds		(105,283)	669	(104,614)	(83,171)	1,080	(82,091)
Reconciliation of funds							
Total funds brought forward		<u>2,171,066</u>	<u>31,446</u>	<u>2,202,512</u>	<u>2,254,237</u>	<u>30,366</u>	<u>2,284,603</u>
Total funds carried forward	18	<u><u>2,065,783</u></u>	<u><u>32,115</u></u>	<u><u>2,097,898</u></u>	<u><u>2,171,066</u></u>	<u><u>31,446</u></u>	<u><u>2,202,512</u></u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 is shown in note 18.

Independent Methodist Association Incorporated (The)

**(Registration number: 00092321)
Balance Sheet as at 31 December 2024**

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	206,350	216,732
Investments	14	<u>1,742,672</u>	<u>1,852,914</u>
		<u>1,949,022</u>	<u>2,069,646</u>
 Current assets			
Debtors	15	77,800	92,331
Cash at bank and in hand		<u>74,305</u>	<u>44,301</u>
		152,105	136,632
 Creditors: Amounts falling due within one year	16	<u>(3,229)</u>	<u>(3,766)</u>
		148,876	132,866
Net current assets		<u>2,097,898</u>	<u>2,202,512</u>
Net assets		<u>2,097,898</u>	<u>2,202,512</u>
 Funds of the charity:			
Restricted income funds			
Restricted funds		32,115	31,446
 Unrestricted income funds			
Unrestricted funds		<u>2,065,783</u>	<u>2,171,066</u>
Total funds	18	<u>2,097,898</u>	<u>2,202,512</u>

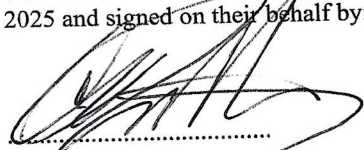
For the financial year ending 31 December 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 12 to 21 were approved by the trustees, and authorised for issue on 17 June 2025 and signed on their behalf by:



Mr A Britton
Trustee

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2024

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Independent Methodist Resource Centre
Fleet Street
Pemberton
Wigan
WN5 0DS

These financial statements were authorised for issue by the trustees on 17 June 2025.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Taxation

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

Tangible fixed assets

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	2% per annum straight line basis
Fixtures and fittings	30% per annum reducing balance basis
Computer equipment	30% per annum reducing balance basis

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2024

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations

	Total 2024 £	Total 2023 £
Membership dues	44,598	41,878
Donations	9,336	14,266
	53,934	56,144

4 Income from charitable activities

	Total 2024 £	Total 2023 £
Conferences and events	2,780	30
Northwood Christian Centre income	5,840	4,990
Other sales	16,476	1,220
	25,096	6,240

Independent Methodist Association Incorporated (The) Notes to the
Financial Statements for the Year Ended 31 December 2024

5 Investment income

	Total 2024 £	Total 2023 £
Income from fixed asset investments	58,178	42,210
Interest receivable on other loans	4,700	4,700
	62,878	46,910

6 Other income

	Total 2024 £	Total 2023 £
Other income	97	-
Closure of churches	10,576	175,848
Income from sale of closed churches	100,000	-
	110,673	175,848

7 Expenditure on charitable activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
	Note		
Wages and salaries	70,765	70,765	45,115
Pension costs	1,268	1,268	1,451
Accountancy, legal and professional fees	21,335	21,335	33,310
Payroll services	1,064	1,064	1,230
Other costs	129,995	129,995	57,826
Grant funding of activities	173,950	173,950	304,575
Independent Examiner's remuneration	2,600	2,600	2,520
	400,977	400,977	446,027

The total grants paid to institutions during the year was as follows:

Grants to churches for property and personnel	101,500	101,500	179,000
Overseas missionary grants	31,200	31,200	18,100
Development grants	1,400	1,400	10,500
Kingdom growth grants	25,000	25,000	25,000
Building work grants	14,500	14,500	71,975
Ministry grants	350	350	-
	173,950	173,950	304,575

Independent Methodist Association Incorporated (The) Notes to the
Financial Statements for the Year Ended 31 December 2024

8 Other expenditure

	Total 2024 £	Total 2023 £
Depreciation	11,935	11,195
	11,935	11,195

9 Analysis of governance and support costs costs

	Total 2024 £	Total 2023 £
Independent examiner fees		
Examination of the financial statements	2,600	2,520
Accountancy, legal and professional fees	21,335	33,310
Payroll services	1,064	1,230
	24,999	37,060

10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£9,663 (2023: £5,856) of expenses were reimbursed to 11 (2023 -11) of the charity` s Trustees during the year. No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	70,765	45,115
Pension costs	1,268	1,451
	72,033	46,566

The average monthly number of employees during the year was as follows:

	2024 No	2023 No
Charitable activities	5	3

No employee received emoluments of more than £60,000 during the year.

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2024

12 Independent examiner's remuneration

	2024 £	2023 £
Examination of the financial statements	<u>2,600</u>	<u>2,520</u>

13 Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2024	401,222	10,241	23,105	434,568
Additions	<u>-</u>	<u>516</u>	<u>1,037</u>	<u>1,553</u>
At 31 December 2024	<u>401,222</u>	<u>10,757</u>	<u>24,142</u>	<u>436,121</u>
Depreciation				
At 1 January 2024	195,554	8,155	14,127	217,836
Charge for the year	<u>8,024</u>	<u>1,003</u>	<u>2,908</u>	<u>11,935</u>
At 31 December 2024	<u>203,578</u>	<u>9,158</u>	<u>17,035</u>	<u>229,771</u>
Net book value				
At 31 December 2024	<u>197,644</u>	<u>1,599</u>	<u>7,107</u>	<u>206,350</u>
At 31 December 2023	<u>205,668</u>	<u>2,086</u>	<u>8,978</u>	<u>216,732</u>

Freehold property consists of The Resource Centre in Wigan, The Northwood Christian Centre (High Leigh) and a property in Stretford.

Independent Methodist Association Incorporated (The) Notes to the
Financial Statements for the Year Ended 31 December 2024

14 Fixed asset investments

	Listed investments £
Market value	
At 1 January 2024	1,793,718
Revaluation	55,717
Additions	186,998
Disposals	<u>(340,316)</u>
At 31 December 2024	<u>1,696,117</u>
Net book value	
At 31 December 2024	<u>1,696,117</u>
At 31 December 2023	<u>1,793,718</u>

Other investments

	Portfolio cash £	Total £
Cost or Valuation		
At 1 January 2024	59,196	59,196
Disposals	<u>(12,641)</u>	<u>(12,641)</u>
At 31 December 2024	<u>46,555</u>	<u>46,555</u>
Net book value		
At 31 December 2024	<u>46,555</u>	<u>46,555</u>
At 31 December 2023	<u>59,196</u>	<u>59,196</u>

15 Debtors

	2024 £	2023 £
Debtors: amounts falling due within one year		
Prepayments	11,724	20,216
Other debtors	<u>6,040</u>	<u>6,040</u>
	<u>17,764</u>	<u>26,256</u>
Debtors: amounts falling due after one year		
Other debtors	<u>60,036</u>	<u>66,075</u>

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2024

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	2	873
Other creditors	627	373
Accruals	<u>2,600</u>	<u>2,520</u>
	<u><u>3,229</u></u>	<u><u>3,766</u></u>

17 Pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £1,268 (2023 -£1,451).

18 Funds

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2024 £
Unrestricted funds						
General						
General fund	1,954,334	252,581	(400,977)	(1,553)	55,048	1,859,433
Designated						
Fixed asset reserve	<u>216,732</u>	<u>-</u>	<u>(11,935)</u>	<u>1,553</u>	<u>-</u>	<u>206,350</u>
Total unrestricted funds	<u><u>2,171,066</u></u>	<u><u>252,581</u></u>	<u><u>(412,912)</u></u>	<u><u>-</u></u>	<u><u>55,048</u></u>	<u><u>2,065,783</u></u>
Restricted funds						
MM & WW Kay Memorial Fund						
MM & WW Kay Memorial Fund	1,753	-	-	-	-	1,753
F & B Tetlow Fund						
F & B Tetlow Fund	<u>29,693</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>669</u>	<u>30,362</u>
	<u>31,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>669</u>	<u>32,115</u>
Total funds	<u><u>2,202,512</u></u>	<u><u>252,581</u></u>	<u><u>(412,912)</u></u>	<u><u>-</u></u>	<u><u>55,717</u></u>	<u><u>2,097,898</u></u>

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2024

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
Unrestricted funds						
General						
General fund	2,033,522	285,142	(446,027)	(7,212)	88,909	1,954,334
Designated						
Fixed asset reserve	<u>220,715</u>	<u>-</u>	<u>(11,195)</u>	<u>7,212</u>	<u>-</u>	<u>216,732</u>
Total unrestricted funds	<u>2,254,237</u>	<u>285,142</u>	<u>(457,222)</u>	<u>-</u>	<u>88,909</u>	<u>2,171,066</u>
Restricted funds						
MM & WW Kay Memorial Fund	1,753	-	-	-	-	1,753
F & B Tetlow Fund	<u>28,613</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,080</u>	<u>29,693</u>
	<u>30,366</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,080</u>	<u>31,446</u>
Total funds	<u>2,284,603</u>	<u>285,142</u>	<u>(457,222)</u>	<u>-</u>	<u>89,989</u>	<u>2,202,512</u>

19 Analysis of net assets between funds

	Unrestricted funds		Restricted funds £	Total funds at 2024 £
	General £	Designated £		
Tangible fixed assets	-	206,350	-	206,350
Fixed asset investments	1,710,557	-	32,115	1,742,672
Current assets	152,105	-	-	152,105
Current liabilities	<u>(3,229)</u>	<u>-</u>	<u>-</u>	<u>(3,229)</u>
Total net assets	<u>1,859,433</u>	<u>206,350</u>	<u>32,115</u>	<u>2,097,898</u>
	Unrestricted funds		Restricted funds £	Total funds at 2023 £
	General £	Designated £		
Tangible fixed assets	-	216,732	-	216,732
Fixed asset investments	1,821,468	-	31,446	1,852,914
Current assets	136,632	-	-	136,632
Current liabilities	<u>(3,766)</u>	<u>-</u>	<u>-</u>	<u>(3,766)</u>
Total net assets	<u>1,954,334</u>	<u>216,732</u>	<u>31,446</u>	<u>2,202,512</u>

THE INDEPENDENT METHODIST ASSOCIATION (INCORPORATED)

England & Wales - Charity number 254007

Accounts

Company registration number: 00092321

Charity registration number: 254007

Independent Methodist Association Incorporated (The)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

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

Independent Methodist Association Incorporated (The)

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Independent Methodist Association Incorporated (The)

Reference and Administrative Details

Trustees

Mr A Britton
Mrs A L A Cheers
Ms L K Crockatt
Mrs R Green-Prescott
Mr W Hampson
Mr D W Hughes
Mrs D L Kendrick
Mr M Long
Mr S Newton
Mr L Ogilvie
Miss C E L O'Nions
Mr N H Prescott
Mrs M M Riding
Mrs D C Roberts
Mr B A Rowney
Mr R R Stone
Mrs A Tipping
Mrs J A Wareing
Ms K L White

Principal Office

Independent Methodist Resource Centre
Fleet Street
Pemberton
Wigan
WN5 0DS

Company Registration Number

00092321

Charity Registration Number

254007

Independent Examiner

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

Independent Methodist Association Incorporated (The)

Reference and Administrative Details

Bankers

Barclays Bank plc
6 Market Place
Wigan
WN1 1QS

Advisers

Compass Financial Ltd
Kingsley Hall
20 Bailey Lane
Manchester Airport
Manchester
M90 4AN

Independent Methodist Association Incorporated (The)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2023.

Trustees

Mr A Britton

Mrs A L A Cheers

Ms L K Crockatt

Mrs R Green-Prescott

Mr W Hampson

Mr A D Harrison (resigned 29 July 2023)

Mr D W Hughes (appointed 28 October 2023)

Mrs D L Kendrick

Mr M Long

Mr S Newton

Mr L Ogilvie

Miss C E L O'Nions

Mr N H Prescott

Mrs M M Riding

Mrs D C Roberts

Mr B A Rowney

Mr J C Stanworth (resigned 29 July 2023)

Mr R R Stone

Mrs A Tipping

Mrs J A Wareing

Ms K L White

Objects

The Charity's objects are specifically restricted to promoting the extension of the Christian faith in the United Kingdom and in all or any other parts of the world through worship, education and social action that is in accord with the principles and practices of the Independent Methodist Connexion of Churches.

Statement of Faith

The Independent Methodist Churches are Trinitarian, believing that God the Father is revealed through Jesus Christ his Son, who alone is Saviour of the world. The Holy Spirit makes God's saving work real in the lives of his people. On acceptance of Jesus Christ as Lord and Saviour, a person is born again and becomes a child of God by adoption.

Independent Methodist Association Incorporated (The)

Trustees' Report

Independent Methodists structure

The Association is a Charitable Company, limited by guarantee, and is responsible for the management and administration of properties and finances held in trust on behalf of, in support of, and under the direction of the self governing churches, which adhere to the principles of Independent Methodism and collectively are known as the Independent Methodist Connexion. At the year end there were 62 churches organised into ten Circuits on a geographical basis. Three of these churches are not attached to a circuit. The current trustees are the only persons who are able to be members of the company.

The effectiveness of the charity is inextricably linked with that of the member churches of the Independent Methodist Connexion, to whom it provides support in their work of ministering to their communities.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

Grants are only available to Independent Methodist churches and their members, and other Christian organisations with similar objectives. Grants to churches may be for building repairs and improvements, evangelical projects, and interim support for the employment of specialist workers. Grants can be provided to assist with personal Christian development for training or education. In general, applications are administered by the Finance Committee although, where the grant is made from certain restricted funds, another committee may administer the process in accordance with the rules of the fund.

Independent Methodist Association Incorporated (The)

Trustees' Report

Achievements and performance

In support of its objectives, the charity continues to work with churches and Circuits by administering those funds held in trust.

The Independent Methodist Connexion reports the following Achievements and performance wholly supported by the Association.

- providing training in evangelism, youth work, child protection, safeguarding and theology.
- disseminating information on legal, religious and other topics.
- providing assistance and resources for evangelical outreach.
- accrediting, as Ministers of the Connexion, persons who have undergone a course of training and have passed the appropriate examinations.
- being members of ecumenical bodies within the United Kingdom.
- supporting members of Independent Methodist churches working with missionary organisations.
- making grants to churches to assist in building repairs and extensions, and to individuals to assist in courses of study or other Christian activities.
- providing facilities and resources which would be beyond their own ability.

The Finance Committee administers the funds held by the Association, and processes applications for grants from the churches for approval by the Association. In particular, the Committee encourages churches to apply for grants to assist in evangelical work under the Kingdom Growth scheme which aims to return money from church sales to churches seeking to expand God's work in their locality. Grants totalling £286,475 (2022: £76,987) were made to churches in 2023.

The Ministry Committee runs the Ministers' Education Scheme, a four-year course of study and practical work which prepares students wishing to enter the Independent Methodist ministry. Satisfactory completion of the course (or equivalent studies) is a prerequisite to becoming accredited as an Independent Methodist Minister, though the course (or elements of it) may also be followed by those who do not seek ministerial accreditation and wish to undertake it for personal education. The committee also provides ongoing support and training for Independent Methodist Ministers, including facilities such as residential study weekends (for both Ministers and students) and discounted books. Processes for establishing a Continuing Professional Development (CPD) for accredited ministers have been established, and ministers are now encouraged to generate a 'Development Profile'.

The Church Support Group provides advice, information and support through its members and workers. It provides resources and practical help to churches in their work with the community, assistance to churches with access to low level development grants, practical help to churches in their work with the community and mission, and encouragement and discussion in developing their future plans and vision.

The Overseas Missions department promotes interest and awareness of Christian work overseas, through the Connexion magazine, making resource packs available to churches and presentations to church and youth groups. It provides financial, prayer and personal support to Independent Methodists working with missionary societies, with five people (including two couples), some working in difficult overseas situations, being supported in 2023. Financial support from the Independent Methodist Association typically covers about 20% of their requirements, the balance coming from other sources which may include individual Independent Methodist churches and members.

The Administration Group provides guidance to the churches on charity, legal and property matters as necessary. Communications is discussed as part of the Administration Group's agenda, and covers the Archives, Connexion Magazine, general issues regarding communications and the Connexional website.

The magazine is produced on a bi-monthly basis and is free to all church members, the cost being absorbed by the Association. It is made available in hard copy and electronic format, as well as being accessible via the Independent Methodist Churches website.

Independent Methodist Association Incorporated (The)

Trustees' Report

The Northwood Christian Centre operates on a non-profit making, break-even basis for worship, teaching, youth work and fellowship retreats. Voluntary support for the operations at Northwood had fallen off in recent years, partly due to Covid and related consequences, potentially affecting its ongoing viability. However, it was decided to keep the centre open until 2026 at least and to reconstitute the management arrangements, with a core programme of activities to improve its usage. During the year, a group of Christians began to use the centre as a base for outreach to the local community in High Legh, which may result in more formal links with the Connexion in due course.

Much of the above work is ongoing from year to year.

Financial review

The attached financial statements show income of £285,142, expenditure of £457,222, which after investment gains of £89,989 give a deficit of £82,091. The principal item of expenditure are grants totalling £304,575.

It is considered that sufficient funds are held in trust by the Association to continue current and future projects.

Fundraising

The charity does not engage in fundraising and therefore no disclosures are made as required by the Charities Act 2006.

Principal funding sources

The largest proportion of income to the funds held by the Association in 2023 came from membership levies on churches in the Connexion and the sale of redundant buildings.

Investment policy and objectives

It is the policy of the Finance Committee to invest in low risk assets to provide an income and maintain the capital value of investments.

The Finance Committee considers social, environmental or ethical aspects when deciding on investments.

Policy on reserves

It is the policy of the Association to hold reserves which provide for the ongoing work of the Association whilst retaining financial stability and the potential to respond to new opportunities at a Connexional level or at an individual church level. For many years, the intention has been to generate sufficient income from reserves to avoid increasing membership levies and thereby increasing the financial burden on churches in a time of declining membership and increasing regulatory compliance costs. After receiving significant income from the sale of redundant church buildings in 2022 a flat rate gift of £4,000 was made to each church during 2023 from these proceeds. However, because of the ongoing annual deficit of income over expenditure (ignoring the proceeds of church sales which cannot be relied on year-on-year), it is considered that the current level of investment reserves needs to be maintained for ongoing sustainability.

Independent Methodist Association Incorporated (The)

Trustees' Report

At the 31st December 2023 the reserves position was as follows:

Total Reserves £2,202,512.

of which:

Some were restricted in their use £31,446.

Some were tied up in fixed assets £216,732.

Some were tied up in a loan for the sale of a former church building £72,116.

Balance of reserves £1,882,218.

The balance of the reserves is required for the following purposes:

- to provide further investment income to fund the continuing work of the Association, maintaining membership fees.
- to provide grants to member churches.

Consideration continues to be given to exploring innovative ways of making available funds to member churches to extend their work whilst retaining sufficient reserves to provide for the continuation of the charity's activities. However, there may be increases in the membership levies in future years.

Aims and key objectives for future periods

In support of its objectives the Association will continue to work with the Connexion whose future aims and key objectives are shown below:

A consultation will be launched in 2024, seeking views on the long-term future of the denomination, in particular whether the two-tier structure of the Independent Methodist Connexion (as an unincorporated body) and the Independent Methodist Association (as a Registered Charity and a Company Limited by Guarantee) is still appropriate. The Independent Methodist Connexion is much smaller than it was when the structure was set up in 1907, and charity legislation has changed, facilitating a simpler structure should this be considered desirable. In addition, the consultation may consider improved methods of representation (given that some circuits are barely functioning) and rationalising the department structure, which was last reviewed over 30 years ago when the denomination was rather larger.

The various groups within the denomination continue to work together to:

- Support the churches in developing their vision for their geographic area.
- Work with the churches to identify support they will need from the denomination.
- Assess those needs for completeness and affordability.
- Deliver the agreed support.

These activities will result in a fully costed rolling programme of support spread over a number of years which will identify the finance required which will then be planned for each period.

Independent Methodist Association Incorporated (The)

Trustees' Report

Funds held as custodian Trustee

The Independent Methodist Association is the Custodian Trustee of over half the premises of churches within the Independent Methodist Connexion. Day to day running of each church is, however, in the hands of Managing Trustees, who retain control of their respective funds. The Independent Methodist Association would only hold funds in respect of these premises if the church had closed and the premises were awaiting disposal. Such churches are, in general, on a Trust Deed under which the proceeds from any sale would pass to the Independent Methodist Association as ultimate beneficiary. In some cases, the ultimate beneficiary is another body (usually a church circuit) and in those cases any associated funds are listed as assets of the church in question until they can be passed to the beneficiary on disposal of the premises.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, its Articles of Association as updated in July 2022.

Recruitment and appointment of trustees

New trustees are appointed in two ways. Designated officers of the Connexion are trustees of the Association unless disbarred by reason of also being paid employees or having a conflict of interest. Their appointment as trustees is a consequence of their selection and formal appointment to their posts at the Annual Meeting. Circuits may also nominate Representatives to Connexional Committee who, unless disbarred as above, automatically become trustees of the Association and are formally appointed at the Annual Meeting. The trustees are appointed annually at the Annual Meeting by delegates from Churches in full membership. The Connexional Officers and Representatives are also known as Connexional Committee.

Relationships with related parties

The Association is a member of the Evangelical Alliance, Churches Together in England, Churches Together in Britain and Ireland, the Free Churches Group and the National Council for Voluntary Organisations, and is accredited as a Living Wage Employer by the Living Wage Foundation.. These bodies have no authority to affect or influence our operating policies. The Association contracts with Compass Financial Ltd to invest the funds of the charity in accordance with the investment policy.

Independent Methodist Association Incorporated (The)

Trustees' Report

Major risks and management of those risks

It is reported from the Connexion of Independent Methodist Churches that the continued decline in both church membership and the number of churches in the Connexion is a matter for concern, since it calls into question the need for existing Connexional structures and, eventually, the viability of the Connexion itself. As much of the Association's income comes from the Connexion of Independent Methodist Churches then this brings into question the future level of support that the Association can continue to provide to the Connexion in the future. In the longer term, the viability of the Connexion is dependent on the strength of the churches that it supports.

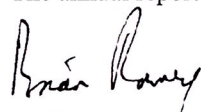
A significant potential risk is that the viability of some of the Connexion's member churches might be adversely affected, with a knock-on effect on the viability of the Connexion. In mitigation, the churches most likely to be at risk do not represent a significant part of the Association's income, and this might be offset by income from the sale of redundant buildings. Another potential effect is that the historic place of circuits within the governance and support structure may need to be reviewed if demographic changes result in this model becoming inappropriate. To some extent, this is already apparent with some circuits existing in name only and not functioning as they once did. As noted above, a consultation with the churches of the Connexion is planned for 2024, to address some of these issues.

An ongoing potential threat could arise if historic sex abuse allegations were to be made in respect of a church that had since closed. If it were not possible to identify the insurers at that time, it is possible that the Association could be held to be vicariously liable. The likelihood of such an event is considered to be low, since most churches in the Connexion chose to be insured with one particular company for which the Resource Centre once held an agency. Measures have been taken to ensure that records on insurance are retained where they still exist, and that churches are now required to confirm (via the annual return) that they have appropriate insurance, and with whom.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 15 July 2024 and signed on its behalf by:



.....
Mr B A Rowney
Trustee

Independent Methodist Association Incorporated (The)

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Independent Methodist Association Incorporated (The) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Methodist Association Incorporated (The)

Independent Examiner's Report to the trustees of Independent Methodist Association Incorporated (The)

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2023 which are set out on pages 12 to 21.

Respective responsibilities of trustees and examiner

As the charity's trustees of Independent Methodist Association Incorporated (The) (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 Independent Methodist Association Incorporated (The) 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 charity'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

Since Independent Methodist Association Incorporated (The)'s gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Charity Independent Examiners, which is one of the listed bodies.

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:

1. accounting records were not kept in respect of Independent Methodist Association Incorporated (The) 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 DChA
KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

15 July 2024

Independent Methodist Association Incorporated (The)

**Statement of Financial Activities for the Year Ended 31 December 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Income from:							
Donations	3	56,144	-	56,144	54,533	-	54,533
Charitable activities	4	6,240	-	6,240	13,847	-	13,847
Investment income	5	46,910	-	46,910	9,809	-	9,809
Other income	6	175,848	-	175,848	391,497	-	391,497
Total income		<u>285,142</u>	-	<u>285,142</u>	<u>469,686</u>	-	<u>469,686</u>
Expenditure on:							
Charitable activities	7	(446,027)	-	(446,027)	(211,023)	(3,213)	(214,236)
Other expenditure	8	(11,195)	-	(11,195)	(10,811)	-	(10,811)
Total expenditure		<u>(457,222)</u>	-	<u>(457,222)</u>	<u>(221,834)</u>	<u>(3,213)</u>	<u>(225,047)</u>
Net (expenditure)/income		(172,080)	-	(172,080)	247,852	(3,213)	244,639
Other recognised gains and losses							
Gains/losses on revaluation of fixed assets		88,909	1,080	89,989	(150,157)	(1,824)	(151,981)
Net movement in funds		(83,171)	1,080	(82,091)	97,695	(5,037)	92,658
Reconciliation of funds							
Total funds brought forward		<u>2,254,237</u>	30,366	2,284,603	2,156,542	35,403	2,191,945
Total funds carried forward	18	<u>2,171,066</u>	31,446	<u>2,202,512</u>	<u>2,254,237</u>	<u>30,366</u>	<u>2,284,603</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 is shown in note 18.

Independent Methodist Association Incorporated (The)

(Registration number: 00092321) Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	216,732	220,715
Investments	14	<u>1,852,914</u>	<u>1,568,122</u>
		<u>2,069,646</u>	<u>1,788,837</u>
Current assets			
Debtors	15	92,331	91,474
Cash at bank and in hand		<u>44,301</u>	<u>407,064</u>
		136,632	498,538
Creditors: Amounts falling due within one year	16	<u>(3,766)</u>	<u>(2,772)</u>
Net current assets		<u>132,866</u>	<u>495,766</u>
Net assets		<u>2,202,512</u>	<u>2,284,603</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		31,446	30,366
Unrestricted income funds			
Unrestricted funds		<u>2,171,066</u>	<u>2,254,237</u>
Total funds	18	<u>2,202,512</u>	<u>2,284,603</u>

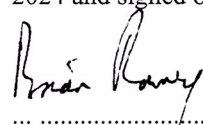
For the financial year ending 31 December 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 12 to 21 were approved by the trustees, and authorised for issue on 15 July 2024 and signed on their behalf by:



.....
Mr B A Rowney
Trustee

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2023

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Independent Methodist Resource Centre
Fleet Street
Pemberton
Wigan
WN5 0DS

These financial statements were authorised for issue by the trustees on 15 July 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Taxation

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

Tangible fixed assets

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	2% per annum straight line basis
Fixtures and fittings	30% per annum reducing balance basis
Computer equipment	30% per annum reducing balance basis

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2023

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations

	Total 2023 £	Total 2022 £
Membership dues	41,878	40,566
Donations	14,266	13,967
	<hr/> 56,144	<hr/> 54,533

4 Income from charitable activities

	Total 2023 £	Total 2022 £
Conferences and events	30	1,120
Northwood Christian Centre income	4,990	5,165
Other sales	1,220	7,562
	<hr/> 6,240	<hr/> 13,847

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2023

5 Investment income

	Total 2023 £	Total 2022 £
Income from fixed asset investments	42,210	4,982
Interest receivable on other loans	4,700	4,827
	46,910	9,809

6 Other income

	Total 2023 £	Total 2022 £
Other income	-	2,940
Closure of churches	175,848	385,557
Rental income	-	3,000
	175,848	391,497

7 Expenditure on charitable activities

	Unrestricted funds	Total 2023 £	Total 2022 £
Note	General £		
Wages and salaries	45,115	45,115	41,129
Pension costs	1,451	1,451	859
Accountancy, legal and professional fees	33,310	33,310	12,450
Payroll services	1,230	1,230	948
Other costs	57,826	57,826	53,066
Grant funding of activities	304,575	304,575	103,384
Independent Examiner's remuneration	2,520	2,520	2,400
	446,027	446,027	214,236

The total grants paid to institutions during the year was as follows:

Grants to churches for property and personnel	179,000	179,000	12,000
Overseas missionary grants	18,100	18,100	23,170
Development grants	10,500	10,500	750
Kingdom growth grants	25,000	25,000	34,612
Building work grants	71,975	71,975	29,625
Ministry grants	-	-	3,227
	304,575	304,575	103,384

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2023

8 Other expenditure

	Total 2023 £	Total 2022 £
Depreciation	11,195	10,811
	<u>11,195</u>	<u>10,811</u>

9 Analysis of governance and support costs costs

	Total 2023 £	Total 2022 £
Independent examiner fees		
Examination of the financial statements	2,520	2,400
Accountancy, legal and professional fees	33,310	12,450
Payroll services	1,230	948
	<u>37,060</u>	<u>15,798</u>

10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£5,856 (2022: £8,210) of expenses were reimbursed to 11 (2022 - 8) of the charity's Trustees during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	45,115	41,129
Pension costs	1,451	859
	<u>46,566</u>	<u>41,988</u>

The average monthly number of employees during the year was as follows:

	2023 No	2022 No
Charitable activities	3	3

No employee received emoluments of more than £60,000 during the year.

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2023

12 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	2,520	2,400

13 Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2023	401,222	10,241	15,893	427,356
Additions	-	-	7,212	7,212
At 31 December 2023	401,222	10,241	23,105	434,568
Depreciation				
At 1 January 2023	187,530	7,259	11,852	206,641
Charge for the year	8,024	896	2,275	11,195
At 31 December 2023	195,554	8,155	14,127	217,836
Net book value				
At 31 December 2023	205,668	2,086	8,978	216,732
At 31 December 2022	213,692	2,982	4,041	220,715

Freehold property consists of The Resource Centre in Wigan, The Northwood Christian Centre (High Leigh) and a property in Stretford.

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2023

14 Fixed asset investments

	Listed investments £
Market value	
At 1 January 2023	1,484,018
Revaluation	89,989
Additions	762,652
Disposals	<u>(542,941)</u>
At 31 December 2023	<u>1,793,718</u>
Net book value	
At 31 December 2023	<u>1,793,718</u>
At 31 December 2022	<u>1,484,018</u>

Other investments

	Portfolio cash £	Total £
Cost or Valuation		
At 1 January 2023	84,104	84,104
Disposals	<u>(24,908)</u>	<u>(24,908)</u>
At 31 December 2023	<u>59,196</u>	<u>59,196</u>
Net book value		
At 31 December 2023	<u>59,196</u>	<u>59,196</u>
At 31 December 2022	<u>84,104</u>	<u>84,104</u>

15 Debtors

	2023 £	2022 £
Debtors: amounts falling due within one year		
Prepayments	20,216	13,318
Other debtors	<u>6,040</u>	<u>6,289</u>
	<u>26,256</u>	<u>19,607</u>
	2023 £	2022 £
Debtors: amounts falling due after one year		
Other debtors	<u>66,075</u>	<u>71,867</u>

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2023

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	873	-
Other creditors	373	172
Accruals	2,520	2,600
	3,766	2,772

17 Pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £1,451 (2022 - £859).

18 Funds

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
Unrestricted funds						
<i>General</i>						
General fund	2,033,522	282,476	(446,032)	(7,212)	88,909	1,951,663
<i>Designated</i>						
Fixed asset reserve	220,715	-	(11,195)	7,212	-	216,732
Total unrestricted funds	2,254,237	282,476	(457,227)	-	88,909	2,168,395
Restricted funds						
MM & WW Kay Memorial Fund	1,753	-	-	-	-	1,753
F & B Tetlow Fund	28,613	-	-	-	1,080	29,693
	30,366	-	-	-	1,080	31,446
Total funds	2,284,603	282,476	(457,227)	-	89,989	2,199,841

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2023

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
Unrestricted funds						
<i>General</i>						
General fund	1,926,625	469,686	(211,023)	(1,609)	(150,157)	2,033,522
<i>Designated</i>						
Fixed asset reserve	229,917	-	(10,811)	1,609	-	220,715
Total unrestricted funds	2,156,542	469,686	(221,834)	-	(150,157)	2,254,237
Restricted funds						
MM & WW Kay Memorial Fund	1,753	-	-	-	-	1,753
F & B Tetlow Fund	33,650	-	(3,213)	-	(1,824)	28,613
	35,403	-	(3,213)	-	(1,824)	30,366
Total funds	2,191,945	469,686	(225,047)	-	(151,981)	2,284,603

19 Analysis of net assets between funds

	Unrestricted funds			Total funds at 2023 £
	General £	Designated £	Restricted funds £	
Tangible fixed assets	-	216,732	-	216,732
Fixed asset investments	1,821,468	-	31,446	1,852,914
Current assets	136,632	-	-	136,632
Current liabilities	(3,766)	-	-	(3,766)
Total net assets	1,954,334	216,732	31,446	2,202,512
	Unrestricted funds			Total funds at 2022 £
	General £	Designated £	Restricted funds £	
Tangible fixed assets	-	220,715	-	220,715
Fixed asset investments	1,537,756	-	30,366	1,568,122
Current assets	498,538	-	-	498,538
Current liabilities	(2,772)	-	-	(2,772)
Total net assets	2,033,522	220,715	30,366	2,284,603

THE INDEPENDENT METHODIST ASSOCIATION (INCORPORATED)

England & Wales - Charity number 254007

Accounts

Company registration number: 00092321

Charity registration number: 254007

Independent Methodist Association Incorporated (The)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

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

Independent Methodist Association Incorporated (The)

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Independent Methodist Association Incorporated (The)

Reference and Administrative Details

Trustees	Mr A Britton Mrs A L A Cheers Mrs L Crockatt Mr W Hampson Mr A D Harrison Mrs D L Kendrick Mr M Long Mr S Newton Mr L Ogilvie Mrs R G Prescott Mr N H Prescott Mrs M M Riding Mrs D C Roberts Mr B A Rowney Mr R R Stone Mrs A Tipping Mrs J A Wareing Mr J C Stanworth Miss C E L O'Nions Ms K L White
Principal Office	Independent Methodist Resource Centre Fleet Street Pemberton Wigan WN5 0DS
Company Registration Number	00092321
Charity Registration Number	254007
Independent Examiner	KM Chartered Accountants 1st Floor, Block C The Wharf Manchester Road Burnley Lancashire BB11 1JG
Bankers	Barclays Bank plc 6 Market Place Wigan WN1 1QS

Independent Methodist Association Incorporated (The)

Reference and Administrative Details

Advisers

Compass Financial Ltd
Kingsley Hall
20 Bailey Lane
Manchester Airport
Manchester
M90 4AN

Independent Methodist Association Incorporated (The)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2022.

Trustees

Mr A Britton

Mrs A L A Cheers

Mrs L Crockatt

Mr G Edmondson (resigned 8 February 2022)

Mrs R Halliwell (Resigned 30 July 2022)

Mr W Hampson

Mr A D Harrison

Mrs D L Kendrick

Mr M Long

Mrs J Merton (resigned 30 July 2022)

Mr S Newton

Mr L Ogilvie

Mrs R G Prescott

Mr N H Prescott

Mrs M M Riding

Mrs D C Roberts (appointed 8 February 2022)

Miss A M Stanworth (resigned 30 July 2022)

Mr B A Rowney

Mr R R Stone

Mrs A Tipping

Mrs J A Wareing

Mr J C Stanworth (appointed 30 July 2022)

Miss C E L O'Nions (appointed 30 July 2022)

Ms K L White (appointed 30 July 2022)

Objects

The Charity's objects are specifically restricted to promoting the extension of the Christian faith in the United Kingdom and in all or any other parts of the world through worship, education and social action that is in accord with the principles and practices of the Independent Methodist Connexion of Churches.

Statement of Faith

The Independent Methodist Churches are Trinitarian, believing that God the Father is revealed through Jesus Christ his Son, who alone is Saviour of the world. The Holy Spirit makes God's saving work real in the lives of his people. On acceptance of Jesus Christ as Lord and Saviour, a person is born again and becomes a child of God by adoption.

Independent Methodist Association Incorporated (The)

Trustees' Report

Independent Methodists structure

The Association is a Charitable Company, limited by guarantee, and is responsible for the management and administration of properties and finances held in trust on behalf of, in support of, and under the direction of the self governing churches, which adhere to the principles of Independent Methodism and collectively are known as the Independent Methodist Connexion. At the year end there were 63 churches organised into 11 Circuits on a geographical basis. Four of these churches are not attached to a circuit. The current trustees are the only persons who are able to be members of the company.

The effectiveness of the charity is inextricably linked with that of the member churches of the Independent Methodist Connexion, to whom it provides support in their work of ministering to their communities.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

Grants are only available to Independent Methodist churches and their members, and other Christian organisations with similar objectives. Grants to churches may be for building repairs and improvements, evangelical projects, and interim support for the employment of specialist workers. Grants can be provided to assist with personal Christian development for training or education. In general, applications are administered by the Finance Committee although, where the grant is made from certain restricted funds, another committee may administer the process in accordance with the rules of the fund.

Achievements and performance

In support of its objectives, the charity continues to work with churches and Circuits by administering those funds held in trust.

The Independent Methodist Connexion reports the following Achievements and performance wholly supported by the Association.

- providing training in evangelism, youth work, child protection, safeguarding and theology
- disseminating information on legal, religious and other topics
- providing assistance and resources for evangelical outreach
- accrediting, as Ministers of the Connexion, persons who have undergone a course of training and have passed the appropriate examinations
- being members of ecumenical bodies within the United Kingdom
- supporting members of Independent Methodist churches working with missionary organisations
- making grants to churches to assist in building repairs and extensions, and to individuals to assist in courses of study or other Christian activities
- providing facilities and resources which would be beyond their own ability

Independent Methodist Association Incorporated (The)

Trustees' Report

The Finance Committee administers the funds held by the Association, and processes applications for grants from the churches for approval by the Association. In particular the Committee encourages churches to apply for grants to assist in evangelical work under the Kingdom Growth scheme which aims to return money from church sales to churches seeking to expand God's work in their locality. Grants totalling £76,987 (2021: £132,278) were made to churches in 2022.

The Ministry Committee runs the Ministers' Education Scheme, a four-year course of study and practical work which prepares students wishing to enter the Independent Methodist ministry. Satisfactory completion of the course (or equivalent studies) is a prerequisite to becoming accredited as an Independent Methodist Minister, though the course (or elements of it) may also be followed by those who do not seek ministerial accreditation and wish to undertake it for personal education. The committee also provides ongoing support and training for Independent Methodist Ministers, including facilities such as residential study weekends (for both Ministers and students) and discounted books. Processes for establishing a Continuing Professional Development (CPD) for accredited ministers have been established, and ministers are now encouraged to generate a 'Development Profile'.

The Church Support Group provides advice, information and support through its members and workers. It provides resources and practical help to churches in their work with the community, assistance to churches with access to low level development grants, practical help to churches in their work with the community and mission, and encouragement and discussion in developing their future plans and vision.

The Overseas Missions department promotes interest and awareness of Christian work overseas, through the Connexion magazine, making resource packs available to churches and presentations to church and youth groups. It provides financial, prayer and personal support to Independent Methodists working with missionary societies, with five people (including two couples), some working in difficult overseas situations, being supported in 2022. Financial support from the Independent Methodist Association typically covers about 20% of their requirements, the balance coming from other sources which may include individual Independent Methodist churches and members.

The Administration Group provides guidance to the churches on charity, legal and property matters as necessary.

Communications is discussed as part of the Administration Group's agenda, and covers the Archives, Connexion Magazine, general issues regarding communications and the Connexional website. The Communications Officer is an attendee of the Administration Group reporting into that group on Communications-related matters.

Following a period in which the Resource Centre was only open at certain times during the week, it has now been possible to re-open the centre during normal working hours. The meeting room in the Resource Centre has been equipped as a 'hub' for meetings, so that attendees can use Zoom if they wish to avoid travelling. Providing a similar 'hub' in the north-east is under consideration.

The magazine is produced on a bi-monthly basis and is free to all church members, the cost being absorbed by the Association. It is made available in hard copy and electronic format, as well as being accessible via the Independent Methodist Churches website.

The Northwood Christian Centre operates on a non-profit making, break-even basis for worship, teaching, youth work and fellowship retreats. Voluntary support for the operations at Northwood had fallen off in recent years, partly due to Covid and related consequences, potentially affecting its ongoing viability. However, it has been decided to keep the centre open until 2026 at least and to reconstitute the management arrangements, with a core programme of activities to improve its usage.

Much of the above work is ongoing from year to year.

Independent Methodist Association Incorporated (The)

Trustees' Report

Financial review

The financial statements show income of £469,686, expenditure of £225,047, which after investment losses of £151,981 give a surplus for the year of £92,658. The principal item of expenditure are grants totalling £103,384.

It is considered that sufficient funds are held in trust by the Association to continue current and future projects.

Fundraising

The charity does not engage in fundraising and therefore no disclosures are made as required by the Charities Act 2006.

Principal funding sources

The largest proportion of income to the funds held by the Association in 2022 came from membership levies on churches in the Connexion and the sale of redundant buildings.

Investment policy and objectives

It is the policy of the Finance Committee to invest in low risk assets to provide an income and maintain the capital value of investments.

The Finance Committee considers social, environmental or ethical aspects when deciding on investments. Following a change in investment manager a new statement of investment principles is being developed.

Policy on reserves

It is the policy of the Association to hold reserves which provide for the ongoing work of the Association whilst retaining financial stability and the potential to respond to new opportunities at a Connexional level or at an individual church level. For many years, the intention has been to generate sufficient income from reserves to avoid increasing membership levies and thereby increasing the financial burden on churches in a time of declining membership and increasing regulatory compliance costs. Significant income from the sale of redundant church buildings was received during 2022, and a flat rate gift of £4,000 will be made to each church during 2023 from these proceeds. However, because of the ongoing annual deficit of income over expenditure (ignoring the proceeds of church sales which cannot be relied on year-on-year), it is considered that the current level of investment reserves needs to be maintained for ongoing sustainability.

Independent Methodist Association Incorporated (The)

Trustees' Report

At the 31st December 2022 the reserves position was as follows:

Total Reserves £2,284,603

of which:

Some were restricted in their use £30,366

Some were tied up in fixed assets £220,715

Some were tied up in a loan for the sale of a former church building £71,866

Balance of reserves £1,961,656

The balance of the reserves is required for the following purposes:

- to provide further investment income to fund the continuing work of the Association, maintaining membership fees.
- to provide grants to member churches.

Consideration continues to be given to exploring innovative ways of making available funds to member churches to extend their work whilst retaining sufficient reserves to provide for the continuation of the charity's activities.

Aims and key objectives for future periods

In support of its objectives the Association will continue to work with the Connexion whose future aims and key objectives are shown below:

In order to improve governance, rules and procedures continue to be developed as lower-level documents supporting the Constitution and the IMA's Articles of Association. These will be reviewed periodically to ensure that they remain appropriate.

All groups within the Connexion are reviewing and implementing policies and procedures to meet governance requirements.

The various groups within the denomination continue to work together to:

- Support the churches in developing their vision for their geographic area.
- Work with the churches to identify support they will need from the denomination.
- Assess those needs for completeness and affordability.
- Deliver the agreed support.

These activities will result in a fully costed rolling programme of support spread over a number of years which will identify the finance required which will then be planned for each period.

Independent Methodist Association Incorporated (The)

Trustees' Report

Funds held as custodian Trustee

The Independent Methodist Association is the Custodian Trustee of a number of church premises. Day to day running of each church is, however, in the hands of Managing Trustees, who retain control of their respective funds. The Independent Methodist Association would only hold funds in respect of these premises if the church had closed and the premises were awaiting disposal. Such churches are, in general, on a Trust Deed under which the proceeds from any sale would pass to the Independent Methodist Association as ultimate beneficiary. In some cases, the ultimate beneficiary is another body (usually a church circuit) and in those cases any associated funds are listed as assets of the church in question until they can be passed to the beneficiary on disposal of the premises.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, its Articles of Association as updated in July 2022.

Recruitment and appointment of trustees

New trustees are appointed in two ways. Designated officers of the Connexion are trustees of the Association unless disbarred by reason of also being paid employees or having a conflict of interest. Their appointment as trustees is a consequence of their selection and formal appointment to their posts at the Annual Meeting. Circuits may also nominate Representatives to Connexional Committee who, unless disbarred as above, automatically become trustees of the Association and are formally appointed at the Annual Meeting. The trustees are appointed annually at the Annual Meeting by delegates from Churches in full membership. The Connexional Officers and Representatives are also known as Connexional Committee.

Relationships with related parties

The Association is a member of the Evangelical Alliance, Churches Together in England, Churches Together in Britain and Ireland, the Free Churches Group and the National Council for Voluntary Organisations. These bodies have no authority to affect or influence our operating policies. The Association contracts with Compass Financial Ltd to invest the funds of the charity in accordance with the investment policy.

Independent Methodist Association Incorporated (The)

Trustees' Report

Major risks and management of those risks

It is reported from the Connexion of Independent Methodist Churches that the continued decline in both church membership and the number of churches in the Connexion is a matter for concern, since it calls into question the need for existing Connexional structures and, eventually, the viability of the Connexion itself. As much of the Association's income comes from the Connexion of Independent Methodist Churches then this brings into question the future level of support that the Association can continue to provide to the Connexion in the future. In the short term, the Connexion is undertaking reviews of its structures to ensure that they remain effective at meeting the needs and objectives of the organisation. In the longer term, the viability of the Connexion is dependent on the strength of the churches that it supports.

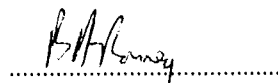
A significant potential risk is that the viability of some of the Connexion's member churches might be adversely affected, with a knock-on effect on the viability of the Connexion. In mitigation, the churches most likely to be at risk do not represent a significant part of the Association's income, and this might be offset by income from the sale of redundant buildings. Another potential effect is that the historic place of circuits within the governance and support structure may need to be reviewed if demographic changes result in this model becoming inappropriate. To some extent, this is already apparent with some circuits existing in name only and not functioning as they once did. A series of studies entitled 'Renewing our Calling' was launched during 2022, with the aim of promoting increased awareness and greater engagement of churches and individuals with the Connexion.

A further potential threat could arise if historic sex abuse allegations were to be made in respect of a church that had since closed. If it were not possible to identify the insurers at that time, it is possible that the Association could be held to be vicariously liable. The likelihood of such an event is considered to be low, since most churches in the Connexion chose to be insured with one particular company for which the Resource Centre once held an agency. Measures have been taken to ensure that records on insurance are retained where they still exist, and that churches are now required to confirm (via the annual return) that they have appropriate insurance, and with whom.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 29 July 2023 and signed on its behalf by:



Mr B A Rowney
Company Secretary and Trustee

Independent Methodist Association Incorporated (The)

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Independent Methodist Association Incorporated (The) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Methodist Association Incorporated (The)

Independent Examiner's Report to the trustees of Independent Methodist Association Incorporated (The)

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2022 which are set out on pages 12 to 23.

Respective responsibilities of trustees and examiner

As the charity's trustees of Independent Methodist Association Incorporated (The) (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 Independent Methodist Association Incorporated (The) 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 charity'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

Since Independent Methodist Association Incorporated (The)'s gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Charity Independent Examiners, which is one of the listed bodies.

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:

1. accounting records were not kept in respect of Independent Methodist Association Incorporated (The) 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 DChA
KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

29 July 2023

Independent Methodist Association Incorporated (The)

Statement of Financial Activities for the Year Ended 31 December 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Income from:							
Donations	3	54,533	-	54,533	59,735	-	59,735
Charitable activities	4	13,847	-	13,847	9,435	-	9,435
Investment income	5	9,809	-	9,809	10,844	-	10,844
Other income	6	<u>391,497</u>	-	<u>391,497</u>	<u>54,480</u>	-	<u>54,480</u>
Total income		<u>469,686</u>	-	<u>469,686</u>	<u>134,494</u>	-	<u>134,494</u>
Expenditure on:							
Charitable activities	7	(211,023)	(3,213)	(214,236)	(263,626)	(4,028)	(267,654)
Other expenditure	8	<u>(10,811)</u>	-	<u>(10,811)</u>	<u>(10,092)</u>	-	<u>(10,092)</u>
Total expenditure		<u>(221,834)</u>	<u>(3,213)</u>	<u>(225,047)</u>	<u>(273,718)</u>	<u>(4,028)</u>	<u>(277,746)</u>
Net income/(expenditure)		247,852	(3,213)	244,639	(139,224)	(4,028)	(143,252)
Other recognised gains and losses							
Gains/losses on revaluation of investments		<u>(150,157)</u>	<u>(1,824)</u>	<u>(151,981)</u>	<u>93,907</u>	<u>1,141</u>	<u>95,048</u>
Net movement in funds		97,695	(5,037)	92,658	(45,317)	(2,887)	(48,204)
Reconciliation of funds							
Total funds brought forward		<u>2,156,542</u>	<u>35,403</u>	<u>2,191,945</u>	<u>2,201,859</u>	<u>38,290</u>	<u>2,240,149</u>
Total funds carried forward	19	<u><u>2,254,237</u></u>	<u><u>30,366</u></u>	<u><u>2,284,603</u></u>	<u><u>2,156,542</u></u>	<u><u>35,403</u></u>	<u><u>2,191,945</u></u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 is shown in note 19.

Independent Methodist Association Incorporated (The)

**(Registration number: 00092321)
Balance Sheet as at 31 December 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	220,715	229,917
Investments	15	<u>1,568,122</u>	<u>1,720,103</u>
		<u>1,788,837</u>	<u>1,950,020</u>
Current assets			
Debtors	16	91,474	211,526
Cash at bank and in hand		<u>407,064</u>	<u>35,377</u>
		498,538	246,903
Creditors: Amounts falling due within one year	17	<u>(2,772)</u>	<u>(4,978)</u>
Net current assets		<u>495,766</u>	<u>241,925</u>
Net assets		<u>2,284,603</u>	<u>2,191,945</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		30,366	35,403
Unrestricted income funds			
Unrestricted funds		<u>2,254,237</u>	<u>2,156,542</u>
Total funds	19	<u>2,284,603</u>	<u>2,191,945</u>

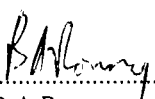
For the financial year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 12 to 23 were approved by the trustees, and authorised for issue on 29 July 2023 and signed on their behalf by:


.....
Mr B A Rowney
Trustee

Independent Methodist Association Incorporated (The)
Statement of Cash Flows for the Year Ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income/(expenditure)		92,658	(48,204)
Adjustments to cash flows from non-cash items			
Depreciation	8	10,811	10,092
Investment income	5	(9,809)	(10,844)
Revaluation of investments		<u>151,981</u>	<u>(95,048)</u>
		245,641	(144,004)
Working capital adjustments			
Decrease in debtors	16	120,052	46,780
Decrease in creditors	17	<u>(2,206)</u>	<u>(2,006)</u>
Net cash flows from operating activities		<u>363,487</u>	<u>(99,230)</u>
Cash flows from investing activities			
Interest receivable and similar income	5	9,809	10,844
Purchase of tangible fixed assets	14	(1,609)	(5,328)
Disposal of investments in subsidiary undertakings		<u>-</u>	<u>114,999</u>
Net cash flows from investing activities		<u>8,200</u>	<u>120,515</u>
Net increase in cash and cash equivalents		371,687	21,285
Cash and cash equivalents at 1 January		<u>35,377</u>	<u>14,092</u>
Cash and cash equivalents at 31 December		<u>407,064</u>	<u>35,377</u>

All of the cash flows are derived from continuing operations during the above two periods.

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Independent Methodist Resource Centre
Fleet Street
Pemberton
Wigan
WN5 0DS

These financial statements were authorised for issue by the trustees on 29 July 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Taxation

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

Tangible fixed assets

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	2% per annum straight line basis
Fixtures and fittings	30% per annum reducing balance basis
Computer equipment	30% per annum reducing balance basis

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2022

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations

	Total 2022 £	Total 2021 £
Membership dues	40,566	44,450
Donations	13,967	15,285
	<u>54,533</u>	<u>59,735</u>

4 Income from charitable activities

	Total 2022 £	Total 2021 £
Conferences and events	1,120	(242)
Northwood Christian Centre income	5,165	3,614
Other sales	7,562	6,063
	<u>13,847</u>	<u>9,435</u>

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2022

5 Investment income

	Total 2022 £	Total 2021 £
Income from fixed asset investments	4,982	5,660
Interest receivable on other loans	<u>4,827</u>	<u>5,184</u>
	<u>9,809</u>	<u>10,844</u>

6 Other income

	Total 2022 £	Total 2021 £
Other income	2,940	161
Closure of churches	385,557	54,319
Rental income	<u>3,000</u>	<u>-</u>
	<u>391,497</u>	<u>54,480</u>

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2022

7 Expenditure on charitable activities

	Unrestricted funds		Total 2022	Total 2021
	General £	Restricted funds £	£	£
Wages and salaries	41,129	-	41,129	49,625
Pension costs	859	-	859	722
Audit of the financial statements	-	-	-	4,800
Accountancy, legal and professional fees	12,450	-	12,450	18,233
Payroll services	948	-	948	1,032
Other costs	49,853	3,213	53,066	35,914
Grant funding of activities	103,384	-	103,384	157,328
Independent Examiner's remuneration	2,400	-	2,400	-
	<u>211,023</u>	<u>3,213</u>	<u>214,236</u>	<u>267,654</u>

The total grants paid to institutions during the year was as follows:

Grants to churches for property and personnel	12,000	-	12,000	55,311
Overseas missionary grants	23,170	-	23,170	21,050
Development grants	750	-	750	1,500
Kingdom growth grants	34,612	-	34,612	-
Building work grants	29,625	-	29,625	75,467
Ministry grants	3,227	-	3,227	4,000
	<u>103,384</u>	<u>-</u>	<u>103,384</u>	<u>157,328</u>

8 Other expenditure

	Total 2022 £	Total 2021 £
Depreciation	<u>10,811</u>	<u>10,092</u>
	<u>10,811</u>	<u>10,092</u>

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2022

9 Analysis of governance and support costs costs

	Total 2022 £	Total 2021 £
Audit fees		
Audit of the financial statements	-	4,800
Independent examiner fees		
Examination of the financial statements	2,400	-
Accountancy, legal and professional fees	12,450	18,233
Payroll services	948	1,032
	<u>15,798</u>	<u>24,065</u>

10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£8,210 (2021: £1,007) of expenses were reimbursed to 8 (2021 - 4) of the charity's Trustees during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	41,129	49,625
Pension costs	859	722
	<u>41,988</u>	<u>50,347</u>

The average monthly number of employees during the year was as follows:

	2022 No	2021 No
Charitable activities	<u>3</u>	<u>3</u>

No employee received emoluments of more than £60,000 during the year.

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2022

12 Independent examiner's remuneration

	2022 £
Examination of the financial statements	2,400

13 Auditors' remuneration

	2021 £
Audit of the financial statements	4,800

14 Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2022	401,222	10,241	14,284	425,747
Additions	-	-	1,609	1,609
At 31 December 2022	401,222	10,241	15,893	427,356
Depreciation				
At 1 January 2022	179,505	5,981	10,344	195,830
Charge for the year	8,025	1,278	1,508	10,811
At 31 December 2022	187,530	7,259	11,852	206,641
Net book value				
At 31 December 2022	213,692	2,982	4,041	220,715
At 31 December 2021	221,717	4,260	3,940	229,917

Freehold property consists of The Resource Centre in Wigan, The Northwood Christian Centre (High Leigh) and a property in Stretford.

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2022

15 Fixed asset investments

	Listed investments £
Market value	
At 1 January 2022	1,720,103
Revaluation	<u>(151,981)</u>
At 31 December 2022	<u>1,568,122</u>
Net book value	
At 31 December 2022	<u>1,568,122</u>
At 31 December 2021	<u>1,720,103</u>

16 Debtors

	2022 £	2021 £
Trade debtors	-	18
Prepayments	13,318	12,370
Other debtors	<u>78,156</u>	<u>199,138</u>
	<u>91,474</u>	<u>211,526</u>

Debtors includes £78,156 (2021: £78,513) receivable after more than one year.

17 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	172	178
Accruals	<u>2,600</u>	<u>4,800</u>
	<u>2,772</u>	<u>4,978</u>

18 Pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £859 (2021 - £722).

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2022

19 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
Unrestricted funds						
<i>General</i>						
General fund	1,926,625	469,686	(211,023)	(1,609)	(150,157)	2,033,522
<i>Designated</i>						
Fixed asset reserve	<u>229,917</u>	-	<u>(10,811)</u>	<u>1,609</u>	-	<u>220,715</u>
Total unrestricted funds	<u>2,156,542</u>	<u>469,686</u>	<u>(221,834)</u>	<u>-</u>	<u>(150,157)</u>	<u>2,254,237</u>
Restricted funds						
MM & WW Kay Memorial Fund	1,753	-	-	-	-	1,753
F & B Tetlow Fund	<u>33,650</u>	-	<u>(3,213)</u>	-	<u>(1,824)</u>	<u>28,613</u>
	<u>35,403</u>	-	<u>(3,213)</u>	-	<u>(1,824)</u>	<u>30,366</u>
Total funds	<u>2,191,945</u>	<u>469,686</u>	<u>(225,047)</u>	<u>-</u>	<u>(151,981)</u>	<u>2,284,603</u>

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2022

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
Unrestricted funds						
<i>General</i>						
General fund	1,967,178	134,494	(263,626)	(5,328)	93,907	1,926,625
<i>Designated</i>						
Fixed asset reserve	<u>234,681</u>	<u>-</u>	<u>(10,092)</u>	<u>5,328</u>	<u>-</u>	<u>229,917</u>
Total unrestricted funds	<u>2,201,859</u>	<u>134,494</u>	<u>(273,718)</u>	<u>-</u>	<u>93,907</u>	<u>2,156,542</u>
Restricted funds						
MM & WW Kay Memorial Fund	1,753	-	-	-	-	1,753
F & B Tetlow Fund	32,509	-	-	-	1,141	33,650
W Burrows Educational Fund	<u>4,028</u>	<u>-</u>	<u>(4,028)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>38,290</u>	<u>-</u>	<u>(4,028)</u>	<u>-</u>	<u>1,141</u>	<u>35,403</u>
Total funds	<u>2,240,149</u>	<u>134,494</u>	<u>(277,746)</u>	<u>-</u>	<u>95,048</u>	<u>2,191,945</u>

20 Analysis of net assets between funds

	Unrestricted funds		Restricted funds £	Total funds at 2022 £
	General £	Designated £		
Tangible fixed assets	-	220,715	-	220,715
Fixed asset investments	1,537,756	-	30,366	1,568,122
Current assets	498,538	-	-	498,538
Current liabilities	<u>(2,772)</u>	<u>-</u>	<u>-</u>	<u>(2,772)</u>
Total net assets	<u>2,033,522</u>	<u>220,715</u>	<u>30,366</u>	<u>2,284,603</u>

	Unrestricted funds		Restricted funds £	Total funds at 2021 £
	General £	Designated £		
Tangible fixed assets	-	229,917	-	229,917
Fixed asset investments	1,684,700	-	35,403	1,720,103
Current assets	246,903	-	-	246,903
Current liabilities	<u>(4,978)</u>	<u>-</u>	<u>-</u>	<u>(4,978)</u>
Total net assets	<u>1,926,625</u>	<u>229,917</u>	<u>35,403</u>	<u>2,191,945</u>

THE INDEPENDENT METHODIST ASSOCIATION (INCORPORATED)

England & Wales - Charity number 254007

Accounts

Company registration number: 00092321

Charity registration number: 254007

Independent Methodist Association Incorporated (The)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

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

Independent Methodist Association Incorporated (The)

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Independent Methodist Association Incorporated (The)

Reference and Administrative Details

Trustees	Mr A Britton Mrs A L A Cheers Mrs L Crockatt Mrs R Halliwell Mr W Hampson Mr A D Harrison Mrs D L Kendrick Mr M Long Mrs J Merton Mr S Newton Mr L O Ogilvie Mrs R G Prescott Mr N H Prescott Mrs M M Riding Mrs D C Roberts Mrs A M Stanworth Mr B A Rowney Mr R R Stone Mrs A Tipping Mrs J A Wareing
Secretary	Mr B A Rowney
Principal Office	Independent Methodist Resource Centre Fleet Street Pemberton Wigan WN5 0DS
Company Registration Number	00092321
Charity Registration Number	254007
Auditor	KM Chartered Accountants 1st Floor, Block C The Wharf Manchester Road Burnley Lancashire BB11 1JG
Bankers	Barclays Bank plc 6 Market Place Wigan WN1 1QS

Independent Methodist Association Incorporated (The)

Reference and Administrative Details

Advisers

Compass Financial Ltd
Kingsley Hall
20 Bailey Lane
Manchester Airport
Manchester
M90 4AN

Independent Methodist Association Incorporated (The)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2021.

Trustees

Mr D I Barron (resigned 6 December 2021)

Mr A Britton (appointed 16 October 2021)

Mrs A L A Cheers

Mrs L Crockatt

Mr G Edmondson (resigned 8 February 2022)

Mrs R Halliwell

Mr W Hampson

Mr A D Harrison

Mrs P Hayhurst (resigned 30 July 2021)

Mr F Kearsley (resigned 22 November 2021)

Mrs D L Kendrick

Mr M Long

Mrs J Merton

Mr S Newton

Mr L O Ogilvie

Mrs R G Prescott

Mr N H Prescott

Mrs M M Riding

Mrs D C Roberts (appointed 8 February 2022)

Mrs A M Stanworth

Mr B A Rowney

Mr R R Stone

Mrs A Tipping

Mrs J A Wareing (appointed 30 September 2021)

Objects

The Charity's objects are specifically restricted to promoting the extension of the Christian faith in the United Kingdom and in all or any other parts of the world through worship, education and social action that is in accord with the principles and practices of the Independent Methodist Connexion of Churches.

Statement of Faith

The Independent Methodist Churches are Trinitarian, believing that God the Father is revealed through Jesus Christ his Son, who alone is Saviour of the world. The Holy Spirit makes God's saving work real in the lives of his people. On acceptance of Jesus Christ as Lord and Saviour, a person is born again and becomes a child of God by adoption.

Independent Methodist Association Incorporated (The)

Trustees' Report

Independent Methodists structure

The Association is a Charitable Company, limited by guarantee, and is responsible for the management and administration of properties and finances held in trust on behalf of, in support of, and under the direction of the self governing churches, which adhere to the principles of Independent Methodism and collectively are known as the Independent Methodist Connexion. At the year end there were 66 churches organised into 12 Circuits on a geographical basis. Four of these churches are not attached to a circuit. The current trustees are the only persons who are able to be members of the company.

The effectiveness of the charity is inextricably linked with that of the member churches of the Independent Methodist Connexion, to whom it provides support in their work of ministering to their communities.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

Grants are only available to Independent Methodist churches and their members, and other Christian organisations with similar objectives. Grants to churches may be for building repairs / improvements, evangelical projects, interim support for the employment of specialist workers. Grants can be provided to assist with personal Christian development for training or education. In general, applications are administered by the Finance Committee although, where the grant is made from certain restricted funds, another committee may administer the process in accordance with the rules of the fund.

Achievements and performance

In support of its objectives, the charity continues to work with churches and Circuits by administering those funds held in trust.

The Independent Methodist Connexion reports the following achievements and performance wholly supported by the Association.

- providing training in evangelism, youth work, child protection and theology
- disseminating information on legal, religious and other topics
- providing assistance and resources for evangelical outreach
- accrediting, as Ministers of the Connexion, persons who have undergone a course of training and have passed the appropriate examinations
- being members of ecumenical bodies within the United Kingdom
- supporting members of Independent Methodist churches working with missionary organisations
- making grants to churches to assist in building repairs and extensions, and to individuals to assist in courses of study or other Christian activities
- providing facilities and resources which would be beyond their own ability

The result of the Covid-19 emergency and resulting protracted lockdown periods prompted an assessment of new ways to communicate within the denomination and, in turn, to help individual churches to interact with their congregations. The need for such methods has continued where vulnerable members of church communities have been reluctant to resume physical meetings.

Independent Methodist Association Incorporated (The)

Trustees' Report

The Finance Committee administers the funds held by the Association, and processes applications for grants from the churches for approval by the Association. In particular the Committee encourages churches to apply for grants to assist in evangelical work under the Kingdom Growth scheme which aims to return money from church sales to churches seeking to expand God's work in their locality. Grants totalling £132,278 (2020: £49,263) were made to churches in 2021.

The Ministry Committee runs the Ministers' Education Scheme, a four-year course of study and practical work which prepares students wishing to enter the Independent Methodist ministry. Satisfactory completion of the course (or equivalent studies) is a prerequisite to becoming accredited as an Independent Methodist Minister, though the course (or elements of it) may also be followed by those who do not seek ministerial accreditation and wish to undertake it for personal education. The committee also provides ongoing support and training for Independent Methodist Ministers, including facilities such as residential study weekends (for both Ministers and students) and discounted books. Processes for establishing a Continuing Professional Development (CPD) for accredited ministers have been established, and ministers are now encouraged to generate a 'Development Profile'.

The Church Support Group provides advice, information and support through its members and workers. It provides resources and practical help to churches in their work with the community. It provides assistance to churches with access to low level development grants and provides encouragement and discussion in developing their future plans and vision.

The Overseas Missions department promotes interest and awareness of Christian work overseas, through the Connexion magazine, making resource packs available to churches and presentations to church and youth groups. It provides financial, prayer and personal support to Independent Methodists working with missionary societies, with five people (including two couples), some working in difficult overseas situations, being supported in 2021. Financial support from the Independent Methodist Association typically covers about 20% of their requirements, the balance coming from other sources which may include individual Independent Methodist churches and members.

The Administration Group provides guidance to the churches on charity, legal and property matters as necessary.

Communications is discussed as part of the Administration Group's agenda, and covers the Archives, Connexion Magazine, general issues regarding communications and the Connexional website. The Communications Officer is an attendee of the Administration Group reporting into that group on Communications-related matters.

In the aftermath of the Covid restrictions, arrangements for opening the Resource Centre have been revised, and equipment has been purchased to facilitate its use as a 'hub' for meetings, so that attendees can use Zoom if they wish to avoid travelling. Providing a similar 'hub' in the north-east is under consideration.

The magazine is produced on a bi-monthly basis and is free to all church members, the cost being absorbed by the Association. As Covid restrictions were relaxed, it became possible to resume production of hard copy although electronic files are still made available.

The Northwood Christian Centre operates on a non-profit making, break-even basis for worship, teaching, youth work and fellowship retreats. Although it has been well-used by church groups (IM and others), families and individuals, the Covid-19 emergency resulted in its closure for much of 2021. Voluntary support for the operations at Northwood has fallen off in recent years, potentially affecting its ongoing viability, and the future of the centre is presently under review.

The Safeguarding Officer administers child protection and vulnerable adults work within the Association, organising training courses and providing general advice on request.

Much of the above work is ongoing from year to year.

Independent Methodist Association Incorporated (The)

Trustees' Report

Financial review

The financial statements show income of £134k, expenditure of £278k, which after investment gains of £95k give a deficit for the year of £49k. The principal item of expenditure are grants totalling £157k.

It is considered that sufficient funds are held in trust by the Association to continue current and future projects.

Fundraising

The charity does not engage in fundraising and therefore no disclosures are made as required by the Charities Act 2006.

Principal funding sources

The largest proportion of income to the funds held by the Association in 2021 came from membership levies on churches in the Connexion and the sale of redundant premises.

Investment policy and objectives

It is the policy of the Finance Committee to invest in low risk assets to provide an income and maintain the capital value of investments.

The Finance Committee considers social, environmental or ethical aspects when deciding on investments. Following a change in investment manager a new statement of investment principles is being developed.

Policy on reserves

It is the policy of the Association to hold reserves which provide for the ongoing work of the Association whilst retaining financial stability and the potential to respond to new opportunities at a Connexional level or at an individual church level. For several years, the intention has been to generate sufficient income from reserves to avoid increasing membership levies and thereby increasing the financial burden on churches in a time of declining membership and increasing regulatory compliance costs. Owing to the current annual deficit of income over expenditure it is considered that the current amount of investments reserves needs to be maintained for the ongoing sustainability.

At the 31st December 2021 the reserves position was as follows:

Total Reserves £2,191,945

of which:

Some were restricted in their use £35,403

Some were tied up in fixed assets £229,917

Some were tied up in a loan for the sale of a former church building £84,069

Balance of reserves £1,842,556

During the year the W Burrows Educational Fund was fully utilised on Ministry Support grants and training.

Independent Methodist Association Incorporated (The)

Trustees' Report

The balance of the reserves is required for the following purposes:

- to provide further investment income to fund the continuing work of the Association, maintaining membership fees.
- to provide grants to member churches

Consideration continues to be given to exploring innovative ways of making available funds to member churches to extend their work whilst retaining sufficient reserves to provide for the continuation of the charity's activities.

Aims and key objectives for future periods

In support of its objectives the Association will continue to work with the Connexion whose future aims and key objectives are shown below:

In order to improve governance, rules and procedures continue to be developed as lower-level documents supporting the Constitution and the IMA's Articles of Association. These will be reviewed periodically to ensure that they remain appropriate.

All groups within the Connexion are reviewing and implementing policies and procedures to meet governance requirements.

The various groups within the denomination continue to work together to:

- Support the churches in developing their vision for their geographic area.
- Work with the churches to identify support they will need from the denomination.
- Assess those needs for completeness and affordability
- Deliver the agreed support

These activities will result in a fully costed rolling programme of support spread over a number of years which will identify the finance required which will then be planned for each period.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, its Articles of Association as updated in February 2020.

Recruitment and appointment of trustees

New trustees are appointed in two ways. Designated officers of the Connexion are trustees of the Association unless disbarred by reason of also being paid employees or having a conflict of interest. Their appointment as trustees is a consequence of their selection and formal appointment to their posts at the Annual Meeting. Circuits may also nominate Representatives to Connexional Committee who, unless disbarred as above, automatically become trustees of the Association and are formally appointed at the Annual Meeting. The trustees are appointed annually at the Annual Meeting by delegates from Churches in full membership. The Connexional Officers and Representatives are also known as Connexional Committee

Independent Methodist Association Incorporated (The)

Trustees' Report

Relationships with related parties

The Association is a member of the Evangelical Alliance, Churches Together in England, Churches Together in Britain and Ireland, the Free Churches Group and the National Council for Voluntary Organisations. These bodies have no authority to affect or influence our operating policies. The Association contracts with Compass Financial Ltd to invest the funds of the charity in accordance with the investment policy.

Major risks and management of those risks

It is reported from the Connexion of Independent Methodist Churches that the continued decline in both church membership and the number of churches in the Connexion is a matter for concern, since it calls into question the need for existing Connexional structures and, eventually, the viability of the Connexion itself. As the majority of income to the Association is from Membership of Independent Methodist Churches, this then brings into question the future level of support that the Association can continue to provide to the Connexion in the future. In the short term, the Connexion is undertaking reviews of its structures to ensure that they remain effective at meeting the needs and objectives of the organisation. In the longer term, the viability of the Connexion is dependent on the strength of the churches that it supports.

The Covid-19 crisis resulted in significant upheaval both to the Association and to the churches that it supports. At various times, churches were unable to meet at all due to lockdown restrictions or could only do so with restrictions on numbers attending and activities that could be carried out. While these restrictions are no longer in place, some churches have experienced reduced attendance and have not been able to re-start some of their previous activities. Officers and workers remain available to advise churches and to encourage fresh initiatives where possible.

A significant potential risk is that the viability of some of the Connexion's member churches might be adversely affected, with a knock-on effect on the viability of the Connexion. In mitigation, the churches most likely to be at risk do not represent a significant part of the Association's income and this might be offset by income from the sale of redundant buildings. Another potential effect is that the historic place of circuits within the governance and support structure may need to be reviewed if demographic changes result in this model becoming inappropriate. To some extent, this is already apparent with some circuits existing in name only and not functioning as they once did. A new initiative is under way, aimed at bringing a new understanding of Independent Methodism via a series of Bible studies, and through it a renewed engagement with Independent Methodist structures.

A further potential threat could arise if historic sex abuse allegations were to be made in respect of a church that had since closed. If it were not possible to identify the insurers at that time, it is possible that the Association could be held to be vicariously liable. The likelihood of such an event is considered to be low, since most churches in the Connexion chose to be insured with one particular company for which the Resource Centre once held an agency. Measures have been taken to ensure that records on insurance are retained where they still exist, and that churches are now required to confirm (via the annual return) that they have appropriate insurance, and with whom.

Independent Methodist Association Incorporated (The)

Trustees' Report

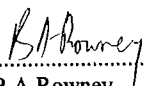
Funds held as custodian trustee on behalf of others

The Independent Methodist Association is the Custodian Trustee of a number of church premises. Day to day running of each church is, however, in the hands of Managing Trustees, who retain control of their respective funds. The Independent Methodist Association would only hold funds in respect of these premises if the church had closed and the premises were awaiting disposal. Such churches are, in general, on a Trust Deed under which the proceeds from any sale would pass to the Independent Methodist Association as ultimate beneficiary. In some cases, the ultimate beneficiary is another body (usually a church circuit) and in those cases any associated funds are listed as assets of the church in question until they can be passed to the beneficiary on disposal of the premises.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 25 July 2022 and signed on its behalf by:


.....
Mr B A Rowney
Company Secretary and Trustee

Independent Methodist Association Incorporated (The)

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Independent Methodist Association Incorporated (The) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Methodist Association Incorporated (The)

Independent Auditor's Report to the Members of Independent Methodist Association Incorporated (The)

Opinion

We have audited the financial statements of Independent Methodist Association Incorporated (The) (the 'charity') for the year ended 31 December 2021, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Methodist Association Incorporated (The)

Independent Auditor's Report to the Members of Independent Methodist Association Incorporated (The)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 10), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the charity sector;

Independent Methodist Association Incorporated (The)

Independent Auditor's Report to the Members of Independent Methodist Association Incorporated (The)

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we identified laws and regulations which were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Methodist Association Incorporated (The)

**Independent Auditor's Report to the Members of Independent Methodist Association
Incorporated (The)**

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Mark Heaton FCCA DChA (Senior Statutory Auditor)
For and on behalf of KM, Statutory Auditor

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

25 July 2022

Independent Methodist Association Incorporated (The)

**Statement of Financial Activities for the Year Ended 31 December 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Income from:							
Donations	3	59,735	-	59,735	57,857	-	57,857
Charitable activities	4	9,435	-	9,435	3,141	-	3,141
Investment income	5	10,844	-	10,844	16,155	-	16,155
Other income	6	54,480	-	54,480	8,019	-	8,019
Total income		134,494	-	134,494	85,172	-	85,172
Expenditure on:							
Raising funds	7	-	-	-	(995)	-	(995)
Charitable activities	8	(263,626)	(4,028)	(267,654)	(194,372)	-	(194,372)
Other expenditure	9	(10,092)	-	(10,092)	(10,128)	-	(10,128)
Total expenditure		(273,718)	(4,028)	(277,746)	(205,495)	-	(205,495)
Net expenditure		(139,224)	(4,028)	(143,252)	(120,323)	-	(120,323)
Other recognised gains and losses							
Gains/losses on revaluation of investments		93,907	1,141	95,048	19,045	256	19,301
Net movement in funds		(45,317)	(2,887)	(48,204)	(101,278)	256	(101,022)
Reconciliation of funds							
Total funds brought forward		2,201,859	38,290	2,240,149	2,303,137	38,034	2,341,171
Total funds carried forward	19	2,156,542	35,403	2,191,945	2,201,859	38,290	2,240,149

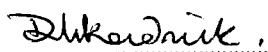
All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 19.

Independent Methodist Association Incorporated (The)

**(Registration number: 00092321)
Balance Sheet as at 31 December 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	229,917	234,681
Investments	15	<u>1,720,103</u>	<u>1,740,054</u>
		<u>1,950,020</u>	<u>1,974,735</u>
Current assets			
Debtors	16	211,526	258,306
Cash at bank and in hand		<u>35,377</u>	<u>14,092</u>
		246,903	272,398
Creditors: Amounts falling due within one year	17	<u>(4,978)</u>	<u>(6,984)</u>
Net current assets		<u>241,925</u>	<u>265,414</u>
Net assets		<u>2,191,945</u>	<u>2,240,149</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		35,403	38,290
Unrestricted income funds			
Unrestricted funds		<u>2,156,542</u>	<u>2,201,859</u>
Total funds	19	<u>2,191,945</u>	<u>2,240,149</u>

The financial statements on pages 15 to 26 were approved by the trustees, and authorised for issue on 25 July 2022 and signed on their behalf by:


.....
Mrs D L Kendrick
Trustee

Independent Methodist Association Incorporated (The)

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

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Independent Methodist Resource Centre
Fleet Street
Pemberton
Wigan
WN5 0DS

These financial statements were authorised for issue by the trustees on 25 July 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Taxation

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

Tangible fixed assets

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	2% per annum straight line basis
Fixtures and fittings	30% per annum reducing balance basis
Computer equipment	30% per annum reducing balance basis

Independent Methodist Association Incorporated (The)

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

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations

	Total 2021 £	Total 2020 £
Membership dues	44,450	42,315
Donations	15,285	15,542
	<u>59,735</u>	<u>57,857</u>

4 Income from charitable activities

	Total 2021 £	Total 2020 £
Conferences and events	(242)	272
Northwood Christian Centre income	3,614	314
Other sales	6,063	2,555
	<u>9,435</u>	<u>3,141</u>

Independent Methodist Association Incorporated (The)

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

5 Investment income

	Total 2021 £	Total 2020 £
Income from fixed asset investments	5,660	6,792
Income from rents	-	3,840
Interest receivable on other loans	5,184	5,523
	<u>10,844</u>	<u>16,155</u>

6 Other income

	Total 2021 £	Total 2020 £
Other income	161	8,019
Closure of churches	54,319	-
	<u>54,480</u>	<u>8,019</u>

7 Expenditure on raising funds

	Total 2021 £	Total 2020 £
Investment management costs	-	995
	<u>-</u>	<u>995</u>

Independent Methodist Association Incorporated (The)

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

8 Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Total	Total
	General		2021	2020
	£	£	£	£
Wages and salaries	49,625	-	49,625	61,136
Pension costs	722	-	722	1,695
Audit of the financial statements	4,800	-	4,800	4,800
Accountancy, legal and professional fees	18,233	-	18,233	16,709
Payroll services	1,032	-	1,032	1,014
Other costs	35,886	28	35,914	38,755
Grant funding of activities	<u>153,328</u>	<u>4,000</u>	<u>157,328</u>	<u>70,263</u>
	<u>263,626</u>	<u>4,028</u>	<u>267,654</u>	<u>194,372</u>

The total grants paid to institutions during the year was as follows:

Grants to churches for property and personnel	55,311	-	55,311	4,000
Overseas missionary grants	21,050	-	21,050	21,000
Development grants	1,500	-	1,500	2,544
Kingdom growth grants	-	-	-	30,500
Building work grants	75,467	-	75,467	12,219
Ministry grants	-	4,000	4,000	-
	<u>153,328</u>	<u>4,000</u>	<u>157,328</u>	<u>70,263</u>

9 Other expenditure

	Total 2021 £	Total 2020 £
Depreciation	<u>10,092</u>	<u>10,128</u>
	<u>10,092</u>	<u>10,128</u>

Independent Methodist Association Incorporated (The)

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

10 Analysis of governance and support costs costs

	Total 2021 £	Total 2020 £
Audit fees		
Audit of the financial statements	4,800	4,800
Accountancy, legal and professional fees	18,233	16,709
Payroll services	1,032	1,014
	<u>24,065</u>	<u>22,523</u>

11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£1,007 (2020: £3,962) of expenses were reimbursed to 4 (2020 - 10) of the charity's Trustees during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	49,625	61,136
Pension costs	722	1,695
	<u>50,347</u>	<u>62,831</u>

The average monthly number of employees during the year was as follows:

	2021 No	2020 No
Charitable activities	<u>3</u>	<u>6</u>

During the year, the charity made redundancy and/or termination payments which totalled £10,579 (2020 - £Nil).

A severance payment was made in the financial year to one employee amounting to £10,579.

No employee received emoluments of more than £60,000 during the year.

Independent Methodist Association Incorporated (The)

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

13 Auditors' remuneration

	2021	2020
	£	£
Audit of the financial statements	<u>4,800</u>	<u>4,800</u>

Independent Methodist Association Incorporated (The)

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

14 Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2021	401,222	10,241	13,196	424,659
Additions	-	-	1,088	1,088
At 31 December 2021	<u>401,222</u>	<u>10,241</u>	<u>14,284</u>	<u>425,747</u>
Depreciation				
At 1 January 2021	171,481	5,215	9,042	185,738
Charge for the year	8,024	766	1,302	10,092
At 31 December 2021	<u>179,505</u>	<u>5,981</u>	<u>10,344</u>	<u>195,830</u>
Net book value				
At 31 December 2021	<u>221,717</u>	<u>4,260</u>	<u>3,940</u>	<u>229,917</u>
At 31 December 2020	<u>229,741</u>	<u>5,026</u>	<u>4,154</u>	<u>238,921</u>

Freehold property consists of The Resource Centre in Wigan, The Northwood Christian Centre (High Leigh) and a property in Stretford.

15 Fixed asset investments

	Listed investments £
Market value	
At 1 January 2021	1,740,054
Revaluation	95,048
Disposals	<u>(114,999)</u>
At 31 December 2021	<u>1,720,103</u>
Net book value	
At 31 December 2021	<u>1,720,103</u>
At 31 December 2020	<u>1,740,054</u>

Independent Methodist Association Incorporated (The)

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

16 Debtors

	2021	2020
	£	£
Trade debtors	18	136
Prepayments	12,370	19,117
Other debtors	199,138	239,053
	<u>211,526</u>	<u>258,306</u>

Debtors includes £78,513 (2020: £84,069) receivable after more than one year.

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	-	1,664
Other creditors	178	520
Accruals	4,800	4,800
	<u>4,978</u>	<u>6,984</u>

18 Pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £722 (2020 - £1,695).

Independent Methodist Association Incorporated (The)

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

19 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
Unrestricted funds						
<i>General</i>						
General fund	1,967,178	134,494	(263,626)	(5,328)	93,907	1,926,625
<i>Designated</i>						
Fixed asset reserve	<u>234,681</u>	<u>-</u>	<u>(10,092)</u>	<u>5,328</u>	<u>-</u>	<u>229,917</u>
Total unrestricted funds	<u>2,201,859</u>	<u>134,494</u>	<u>(273,718)</u>	<u>-</u>	<u>93,907</u>	<u>2,156,542</u>
Restricted funds						
MM & WW Kay Memorial Fund	1,753	-	-	-	-	1,753
F & B Tetlow Fund	32,509	-	-	-	1,141	33,650
W Burrows Educational Fund	<u>4,028</u>	<u>-</u>	<u>(4,028)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>38,290</u>	<u>-</u>	<u>(4,028)</u>	<u>-</u>	<u>1,141</u>	<u>35,403</u>
Total funds	<u>2,240,149</u>	<u>134,494</u>	<u>(277,746)</u>	<u>-</u>	<u>95,048</u>	<u>2,191,945</u>

Independent Methodist Association Incorporated (The)

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

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
Unrestricted funds					
<i>General</i>					
General fund	2,058,590	85,172	(195,629)	19,045	1,967,178
<i>Designated</i>					
Fixed asset reserve	<u>244,547</u>	<u>262</u>	<u>(10,128)</u>	<u>-</u>	<u>234,681</u>
Total unrestricted funds	<u>2,303,137</u>	<u>85,434</u>	<u>(205,757)</u>	<u>19,045</u>	<u>2,201,859</u>
Restricted funds					
MM & WW Kay Memorial Fund	1,753	-	-	-	1,753
F & B Tetlow Fund	32,277	-	-	232	32,509
W Burrows Educational Fund	<u>4,004</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>4,028</u>
	<u>38,034</u>	<u>-</u>	<u>-</u>	<u>256</u>	<u>38,290</u>
Total funds	<u>2,341,171</u>	<u>85,434</u>	<u>(205,757)</u>	<u>19,301</u>	<u>2,240,149</u>

20 Analysis of net assets between funds

	Unrestricted funds		Restricted funds £	Total funds £
	General £	Designated £		
Tangible fixed assets	-	229,917	-	229,917
Fixed asset investments	1,684,700	-	35,403	1,720,103
Current assets	246,903	-	-	246,903
Current liabilities	<u>(4,978)</u>	<u>-</u>	<u>-</u>	<u>(4,978)</u>
Total net assets	<u>1,926,625</u>	<u>229,917</u>	<u>35,403</u>	<u>2,191,945</u>

	Unrestricted funds		Restricted funds £	Total funds £
	General £	Designated £		
Tangible fixed assets	-	234,681	-	234,681
Fixed asset investments	1,740,054	-	-	1,740,054
Current assets	234,108	-	38,290	272,398
Current liabilities	<u>(6,984)</u>	<u>-</u>	<u>-</u>	<u>(6,984)</u>
Total net assets	<u>1,967,178</u>	<u>234,681</u>	<u>38,290</u>	<u>2,240,149</u>

THE INDEPENDENT METHODIST ASSOCIATION (INCORPORATED)

England & Wales - Charity number 254007

Accounts

Company registration number: 00092321

Charity registration number: 254007

Independent Methodist Association Incorporated (The)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

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

Independent Methodist Association Incorporated (The)

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Independent Methodist Association Incorporated (The)

Reference and Administrative Details

Trustees	M M Riding P Hayhurst B A Rowney R G Prescott A Tipping A D Harrison W Hampson L O Ogilvie J Merton R R Stone N H Prescott G Edmondson A L A Cheers S Newton A M Stanworth F Kearsley M Long D L Kendrick R Halliwell D I Barron L Crockatt
Secretary	B A Rowney
Principal Office	Independent Methodist Resource Centre Fleet Street Pemberton Wigan WN5 0DS
Company Registration Number	00092321
Charity Registration Number	254007
Auditor	KM Chartered Accountants 1st Floor, Block C The Wharf Manchester Road Burnley Lancashire BB11 1JG

Independent Methodist Association Incorporated (The)

Reference and Administrative Details

Bankers

Barclays Bank plc
6 Market Place
Wigan
WN1 1QS

Advisers

Compass Financial Ltd
Kingsley Hall
20 Bailey Lane
Manchester Airport
Manchester
M90 4AN

Independent Methodist Association Incorporated (The)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2020.

Trustees

M M Riding

D A Hill (resigned 16 October 2020)

P Hayhurst

B A Rowney

R G Prescott

A Tipping

A D Harrison

W Hampson

M Pollard (resigned 1 September 2020)

L O Ogilvie

J Merton

R R Stone (appointed 1 September 2020)

N H Prescott

G Edmondson

A L A Cheers

S Newton

A M Stanworth

C Mccullars (resigned 1 September 2020)

F Kearsley

M Long

D L Kendrick

R Halliwell

D I Barron (appointed 1 September 2020)

L Crockatt

Objects

The Charity's objects are specifically restricted to promoting the extension of the Christian faith in the United Kingdom and in all or any other parts of the world through worship, education and social action that is in accord with the principles and practices of the Independent Methodist Connexion of Churches.

Independent Methodist Association Incorporated (The)

Trustees' Report

Statement of Faith

The Independent Methodist Churches are Trinitarian, believing that God the Father is revealed through Jesus Christ his Son, who alone is Saviour of the world. The Holy Spirit makes God's saving work real in the lives of his people. On acceptance of Jesus Christ as Lord and Saviour, a person is born again and becomes a child of God by adoption.

Independent Methodists structure

The Association is a Charitable Company, limited by guarantee, and is responsible for the management and administration of properties and finances held in trust on behalf of, in support of, and under the direction of the self governing churches, which adhere to the principles of Independent Methodism and collectively are known as the Independent Methodist Connexion. At the year end there were 68 churches organised into 13 Circuits on a geographical basis. Four of these churches are not attached to a circuit.

The current trustees are the only persons who are able to be members of the company.

Objectives

The objectives are to look at how we can best serve our individual churches.

The effectiveness of the charity is inextricably linked with that of the member churches of the Independent Methodist Connexion, to whom it provides support in their work of ministering to their communities. The result of the Covid-19 emergency and resulting protracted lockdown periods has prompted an assessment of new ways to communicate within the denomination and, in turn, to help individual churches to interact with their congregations given the restrictions on physical meetings. The need for such methods is likely to continue beyond the end of the present restrictions.

The remaining objectives as contained in the Articles of Association, in summary, are as follows:

Property:

- To act as trustee of property.
- To acquire, sell, alter or repair, or otherwise deal with property.
- To perform trusts and manage trust property.

Funds:

- To establish and support assistance funds, and to receive and apply donations.
- To invest funds.

Ministry:

- To educate Ministers and support evangelists and others.

Administration:

- To exercise powers as principal, trustee or agent.
- To promote and maintain the use of the Resource Centre, magazines etc., for the benefit of the churches.
- To provide advice, support and defend legal proceedings.

Independent Methodist Association Incorporated (The)

Trustees' Report

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

Grants are only available to Independent Methodist churches and their members, and other Christian organisations with similar objectives. Grants to churches may be for building repairs / improvements, evangelical projects, interim support for the employment of specialist workers. Grants can be provided to assist with personal Christian development for training or education. In general, applications are administered by the Finance Committee although, where the grant is made from certain restricted funds, another committee may administer the process in accordance with the rules of the fund.

Achievements and performance

In support of its objectives, the charity continues to work with churches and Circuits by administering those funds held in trust and thus allowing the following achievements and performance of the Independent Methodist Connexion :

- providing training in evangelism, youth work, child protection and theology
- disseminating information on legal, religious and other topics
- providing assistance and resources for evangelical outreach
- accrediting, as Ministers of the Connexion, persons who have undergone a course of training and have passed the appropriate examinations
- being members of ecumenical bodies within the United Kingdom
- supporting members of Independent Methodist churches working with missionary organisations
- making grants to churches to assist in building repairs and extensions, and to individuals to assist in courses of study or other Christian activities
- providing facilities and resources which would be beyond their own ability

The Finance Committee administers the funds held by the Association, and processes applications for grants from the churches. In particular the Committee encourages churches to apply for grants to assist in evangelical work under the Kingdom Growth scheme which aims to return money from church sales to churches seeking to expand God's work in their locality. Grants totalling £49,263 (2019: £329,800) were made to churches in 2020.

The Ministry Committee runs the Ministers' Education Scheme, a four-year course of study and practical work which prepares students wishing to enter the Independent Methodist ministry. Satisfactory completion of the course (or equivalent studies) is a prerequisite to becoming accredited as an Independent Methodist Minister, though the course (or elements of it) may also be followed by those who do not seek ministerial accreditation and wish to undertake it for personal education. The committee also provides ongoing support and training for Independent Methodist Ministers, including facilities such as residential study weekends (for both Ministers and students) and discounted books.

Processes for establishing a Continuing Professional Development (CPD) for accredited ministers have been established, and ministers are now encouraged to generate a 'Development Profile'.

Independent Methodist Association Incorporated (The)

Trustees' Report

The Church Support Group provides advice, information and support through its members and workers. It provides resources and practical help to churches in their work with the community. It provides assistance to churches with access to low level development grants and provides encouragement and discussion in developing their future plans and vision.

The Overseas Missions department promotes interest and awareness of Christian work overseas, through the Connexion magazine, making resource packs available to churches and presentations to church and youth groups. It provides financial, prayer and personal support to Independent Methodists working with missionary societies, with five people (including two couples), some working in difficult overseas situations, being supported in 2019. Financial support from the Independent Methodist Association typically covers about 20% of their requirements, the balance coming from other sources which may include individual Independent Methodist churches and members.

The Administration Group provides guidance to the churches on charity, legal and property matters as necessary. Following a major review of governance, a sub-group was appointed to review the Articles and Memorandum of the Independent Methodist Association. The updated Articles of Association were approved by the Charity Commission in February 2020. As part of the ongoing process, the sub-group was tasked with identifying and documenting rules and processes that support the new Articles of Association, and these were first published in October 2020.

Communications is discussed as part of the Administration Group's agenda, and covers the Archives, Connexion Magazine, general issues regarding communications and the Connexional website. The Communications Officer is an attendee of the Administration Group reporting into that group on Communications-related matters.

A number of plans for work on the archives and on communications generally had to be put on hold as the restrictions arising from Covid-19 limited the scope for physical involvement. Indeed, access to the Resource Centre has been severely restricted for most of the year, with staff working from home except when the use of equipment and material there could not be avoided. Communications between officers, employees and churches has been by electronic means wherever possible, and many meetings have been conducted via the use of Zoom. This proved to have unlooked-for benefits in removing the cost and inconvenience of people having to travel to meetings, although creating a fresh set of problems. In some cases, people have needed to be trained how to use the new technology, and 'screen fatigue' has resulted in more frequent breaks taking place than would otherwise be required. Nevertheless, the overall outcome has been positive, and will no doubt feature in our activities in future.

The magazine is produced on a bi-monthly basis and is free to all church members, the cost being absorbed by the Connexion. Most editions have been sent to churches electronically, with a request that they forward the electronic files to their members or else print and distribute copies locally. In a few instances where this has not been possible, churches have been provided with hard copy as usual.

The Safeguarding Officer administers child protection and vulnerable adults work within the Association, organising training courses and providing general advice on request.

The Northwood Christian Centre operates on a non-profit making, break-even basis for worship, teaching, youth work and fellowship retreats. Although it has been well-used by church groups (IM and others), families and individuals, the Covid-19 emergency resulted in its closure throughout 2020.

Much of the above work is ongoing from year to year.

Independent Methodist Association Incorporated (The)

Trustees' Report

Financial review

The attached financial statements show the current state of the finances which the Directors consider to be sound. Incoming resources for the year total £85,172 (2019: £108,354) whilst resources expended were £205,495 (2019: £568,936).

It is considered that sufficient funds are held in trust by the Association to continue current and future projects.

Fundraising

The charity does not engage in fundraising and therefore no disclosures are made as required by the Charities Act 2006.

Principal funding sources

The largest proportion of income to the funds held by the Association in 2020 came from membership levies on churches in the Connexion.

Investment policy and objectives

It is the policy of the Finance Committee to invest in low risk assets to provide an income and maintain the capital value of investments.

The Finance Committee considers social, environmental or ethical aspects when deciding on investments. Following a change in investment manager a new statement of investment principles is being developed.

Independent Methodist Association Incorporated (The)

Trustees' Report

Policy on reserves

It is the policy of the Association to hold reserves which provide for the ongoing work of the Association whilst retaining financial stability and the potential to respond to new opportunities at a Connexional level or at an individual church level. For several years, the intention has been to generate sufficient income from reserves to avoid increasing membership levies and thereby increasing the financial burden on churches in a time of declining membership and increasing regulatory compliance costs.

At the 31st December 2020 the reserves position was as follows:

Total Reserves £2,240,149

of which:

Some were restricted in their use £38,290

Some were tied up in fixed assets £234,681

Some were tied up in a loan for the sale of a former church building £89,626

Balance of reserves £1,877,552

The balance of the reserves is required for the following purposes:

- to provide further investment income to fund the continuing work of the Association, maintaining membership fees.
- to provide grants to member churches

Consideration continues to be given to exploring innovative ways of making available funds to member churches to extend their work whilst retaining sufficient reserves to provide for the continuation of the charity's activities.

Independent Methodist Association Incorporated (The)

Trustees' Report

Aims and key objectives for future periods

In support of its objectives the Association will continue to work with the Connexion whose future aims and key objectives are shown below:

The revised Constitution of the Independent Methodist Connexion was approved at Annual Meeting 2019 and ratified in 2020. In order to improve governance, rules and procedures continue to be developed as lower-level documents supporting the Constitution and the IMA's Articles of Association. These will be reviewed periodically to ensure that they remain appropriate.

All groups within the Connexion are reviewing and implementing policies and procedures to meet governance requirements.

The various groups within the denomination are now working together to:

- Support the churches in developing their vision for their geographic area.
- Work with the churches to identify support they will need from the denomination.
- Assess those needs for completeness and affordability
- Deliver the agreed support

These activities will result in a fully costed rolling programme of support spread over a number of years which will identify the finance required which will then be planned for each period.

Funds held as custodian Trustee

The Independent Methodist Association is the Custodian Trustee of a number of church premises. Day to day running of each church is, however, in the hands of Managing Trustees, who retain control of their respective funds. The Independent Methodist Association would only hold funds in respect of these premises if the church had closed and the premises were awaiting disposal. Such churches are, in general, on a Trust Deed under which the proceeds from any sale would pass to the Independent Methodist Association as ultimate beneficiary. In some cases, the ultimate beneficiary is another body (usually a church circuit) and in those cases any associated funds are listed as assets of the church in question until they can be passed to the beneficiary on disposal of the premises.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, its Articles of Association as updated on February 2020.

Recruitment and appointment of trustees

New trustees are appointed in two ways. Designated officers of the Connexion are trustees of the Association unless barred by reason of also being paid employees or having a conflict of interest. Their appointment as trustees is a consequence of their selection and formal appointment to their posts at the Annual Meeting. Circuits may also nominate Representatives to Connexional Committee who, unless barred as above, automatically become trustees of the Association and are formally appointed at the Annual Meeting. The trustees are appointed annually at the Annual Meeting by delegates from Churches in full membership. The Connexional Officers and Representatives are also known as Connexional Committee

Independent Methodist Association Incorporated (The)

Trustees' Report

Relationships with related parties

The Association is a member of the Evangelical Alliance, Churches Together in England, Churches Together in Britain and Ireland, the Free Churches Group and (since February 2021) the National Council for Voluntary Organisations. These bodies have no authority to affect or influence our operating policies.

The Association contracts with Compass Financial Ltd to invest the funds of the charity in accordance with the investment policy.

Major risks and management of those risks

The continued decline in both church membership and the number of churches in the Connexion is a matter for concern, since it calls into question the need for existing Connexional structures and, eventually, the viability of the Connexion itself. In the short term, the Connexion is undertaking reviews of its structures to ensure that they remain effective at meeting the needs and objectives of the Charity. In the longer term, the viability of the Connexion is dependent on the strength of the churches that it supports.

The Covid-19 crisis resulted in significant upheaval both to the Association and to the churches that it supports. At various times, churches were unable to meet at all due to lockdown restrictions or could only do so with restrictions on numbers attending and activities that could be carried out.

A significant potential risk is that these prolonged closures might call into question the viability of some of the Connexion's member churches, with a knock-on effect on the viability of the Connexion. In mitigation, the churches most likely to be at risk do not represent a significant part of the Association's income. This might be offset by income from the sale of redundant buildings, although in the short-term property prices are likely to be depressed below their 2020 levels. Another potential effect is that the historic place of circuits within the governance and support structure may need to be reviewed if demographic changes result in this model becoming inappropriate.

A further potential threat could arise if historic sex abuse allegations were to be made in respect of a church that had since closed. If it were not possible to identify the insurers at that time, it is possible that the Association could be held to be vicariously liable. The likelihood of such an event is considered to be low, since most churches in the Connexion chose to be insured with one particular company for which the Resource Centre once held an agency. Measures have been taken to ensure that records on insurance are retained where they still exist, and that churches are now required to confirm (via the annual return) that they have appropriate insurance, and with whom.

The annual report was approved by the trustees of the charity on 15 May 2021 and signed on its behalf by:

.....
B A Rowney
Company Secretary and Trustee

Independent Methodist Association Incorporated (The)

Independent Auditor's Report to the Members of Independent Methodist Association Incorporated (The)

Opinion

We have audited the financial statements of Independent Methodist Association Incorporated (The) (the 'charity') for the year ended 31 December 2020, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Methodist Association Incorporated (The)

Independent Auditor's Report to the Members of Independent Methodist Association Incorporated (The)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the (set out on page), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.

Independent Methodist Association Incorporated (The)

Independent Auditor's Report to the Members of Independent Methodist Association Incorporated (The)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Mark Heaton FCCA DChA (Senior Statutory Auditor)
For and on behalf of KM, Statutory Auditor

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

15 May 2021

Independent Methodist Association Incorporated (The)

Statement of Financial Activities for the Year Ended 31 December 2020
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Income from:							
Donations	3	57,857	-	57,857	62,588	-	62,588
Charitable activities	4	3,141	-	3,141	17,759	-	17,759
Investment income	5	16,155	-	16,155	15,990	-	15,990
Other income	6	8,019	-	8,019	12,017	-	12,017
Total income		<u>85,172</u>	<u>-</u>	<u>85,172</u>	<u>108,354</u>	<u>-</u>	<u>108,354</u>
Expenditure on:							
Raising funds	7	(995)	-	(995)	(2,785)	-	(2,785)
Charitable activities	8	(194,372)	-	(194,372)	(555,659)	-	(555,659)
Other expenditure	9	(10,128)	-	(10,128)	(10,492)	-	(10,492)
Total expenditure		<u>(205,495)</u>	<u>-</u>	<u>(205,495)</u>	<u>(568,936)</u>	<u>-</u>	<u>(568,936)</u>
Net expenditure		(120,323)	-	(120,323)	(460,582)	-	(460,582)
Transfers between funds		-	-	-	90	(90)	-
Other recognised gains and losses							
Gains/losses on revaluation of investments		19,045	256	19,301	216,807	2,909	219,716
Net movement in funds		(101,278)	256	(101,022)	(243,685)	2,819	(240,866)
Reconciliation of funds							
Total funds brought forward		<u>2,303,137</u>	<u>38,034</u>	<u>2,341,171</u>	<u>2,546,822</u>	<u>35,215</u>	<u>2,582,037</u>
Total funds carried forward	19	<u><u>2,201,859</u></u>	<u><u>38,290</u></u>	<u><u>2,240,149</u></u>	<u><u>2,303,137</u></u>	<u><u>38,034</u></u>	<u><u>2,341,171</u></u>

Independent Methodist Association Incorporated (The)
Statement of Financial Activities for the Year Ended 31 December 2020
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 19.

Independent Methodist Association Incorporated (The)

(Registration number: 00092321) Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	234,681	244,547
Investments	15	<u>1,740,054</u>	<u>1,965,753</u>
		<u>1,974,735</u>	<u>2,210,300</u>
Current assets			
Debtors	16	258,306	107,102
Cash at bank and in hand		<u>14,092</u>	<u>25,984</u>
		272,398	133,086
Creditors: Amounts falling due within one year	17	<u>(6,984)</u>	<u>(2,215)</u>
Net current assets		<u>265,414</u>	<u>130,871</u>
Net assets		<u>2,240,149</u>	<u>2,341,171</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		38,290	38,034
Unrestricted income funds			
Unrestricted funds		<u>2,201,859</u>	<u>2,303,137</u>
Total funds	19	<u>2,240,149</u>	<u>2,341,171</u>

The financial statements on pages 14 to 24 were approved by the trustees, and authorised for issue on 15 May 2021 and signed on their behalf by:

.....
D L Kendrick
Trustee

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Independent Methodist Resource Centre
Fleet Street
Pemberton
Wigan
WN5 0DS

These financial statements were authorised for issue by the trustees on 15 May 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Taxation

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

Tangible fixed assets

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	2% per annum straight line basis
Fixtures and fittings	30% per annum reducing balance basis
Computer equipment	30% per annum reducing balance basis

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2020

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations

	Total 2020 £	Total 2019 £
Membership dues	42,315	44,789
Donations	15,542	17,799
	<u>57,857</u>	<u>62,588</u>

4 Income from charitable activities

	Total 2020 £	Total 2019 £
Conferences and events	272	4,525
Northwood Christian Centre income	314	5,728
Other sales	2,555	7,506
	<u>3,141</u>	<u>17,759</u>

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2020

5 Investment income

	Total 2020 £	Total 2019 £
Income from fixed asset investments	6,792	6,339
Income from rents	3,840	3,840
Interest receivable on other loans	5,523	5,811
	16,155	15,990

6 Other income

	Total 2020 £	Total 2019 £
Other income	8,019	2,163
Closure of churches	-	9,854
	8,019	12,017

7 Expenditure on raising funds

	Total 2020 £	Total 2019 £
Investment management costs	995	2,785
	995	2,785

8 Expenditure on charitable activities

	Total 2020 £	Total 2019 £
Wages and salaries	61,136	74,180
Pension costs	1,695	3,858
Audit of the financial statements	4,800	4,800
Other fees paid to auditors	-	150
Accountancy, legal and professional fees	16,709	28,138
Payroll services	1,014	1,146
Other costs	38,755	89,087
Grant funding of activities	70,263	354,300
	194,372	555,659

The total grants paid to institutions during the year was as follows:

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2020

	Total 2020 £	Total 2019 £
Grants to churches for property and personnel	4,000	262,500
Overseas missionary grants	21,000	24,500
Development grants	2,544	67,300
Kingdom growth grants	30,500	-
Building work grants	12,219	-
	<u>70,263</u>	<u>354,300</u>

9 Other expenditure

	Total 2020 £	Total 2019 £
Depreciation	10,128	10,492
	<u>10,128</u>	<u>10,492</u>

10 Analysis of governance and support costs costs

	Total 2020 £	Total 2019 £
Audit fees		
Audit of the financial statements	4,800	4,800
Other fees paid to auditors	-	150
Accountancy, legal and professional fees	16,709	28,138
Payroll services	1,014	1,146
	<u>22,523</u>	<u>34,234</u>

11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£3,962 (2019: £11,937) of expenses were reimbursed to 10 (2019 - 16) of the charity's Trustees during the year. No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2020

12 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	61,136	74,180
Pension costs	1,695	3,858
	62,831	78,038

The average monthly number of employees during the year was as follows:

	2020 No	2019 No
Charitable activities	6	5

No employee received emoluments of more than £60,000 during the year.

13 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	4,800	4,800
Other fees paid to auditors	-	150
	4,800	4,950

14 Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2020	401,222	5,739	13,196	420,157
Additions	-	262	-	262
At 31 December 2020	401,222	6,001	13,196	420,419
Depreciation				
At 1 January 2020	163,455	4,896	7,259	175,610
Charge for the year	8,026	319	1,783	10,128
At 31 December 2020	171,481	5,215	9,042	185,738
Net book value				
At 31 December 2020	229,741	786	4,154	234,681
At 31 December 2019	237,767	843	5,937	244,547

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2020

Freehold property consists of The Resource Centre in Wigan, The Northwood Christian Centre (High Leigh) and a property in Stretford.

15 Fixed asset investments

	Listed investments £
Market value	
At 1 January 2020	1,965,753
Revaluation	19,301
Disposals	<u>(245,000)</u>
At 31 December 2020	<u>1,740,054</u>
Net book value	
At 31 December 2020	<u>1,740,054</u>
At 31 December 2019	<u>1,965,753</u>

16 Debtors

	2020 £	2019 £
Trade debtors	136	632
Prepayments	19,117	11,628
Other debtors	<u>239,053</u>	<u>94,842</u>
	<u>258,306</u>	<u>107,102</u>

Debtors includes £84,069 (2019: £89,625) receivable after more than one year.

17 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	1,664	(1,589)
Other creditors	520	204
Accruals	<u>4,800</u>	<u>3,600</u>
	<u>6,984</u>	<u>2,215</u>

18 Pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £1,695 (2019 - £3,858).

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2020

19 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £	
Unrestricted funds						
<i>General</i>						
General fund	2,058,590	85,172	(195,629)	19,045	1,967,178	
<i>Designated</i>						
Fixed asset reserve	<u>244,547</u>	<u>262</u>	<u>(10,128)</u>	<u>-</u>	<u>234,681</u>	
Total unrestricted funds	<u>2,303,137</u>	<u>85,434</u>	<u>(205,757)</u>	<u>19,045</u>	<u>2,201,859</u>	
Restricted funds						
MM & WW Kay Memorial Fund	1,753	-	-	-	1,753	
F & B Tetlow Fund	32,277	-	-	232	32,509	
W Burrows Educational Fund	<u>4,004</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>4,028</u>	
	<u>38,034</u>	<u>-</u>	<u>-</u>	<u>256</u>	<u>38,290</u>	
Total funds	<u>2,341,171</u>	<u>85,434</u>	<u>(205,757)</u>	<u>19,301</u>	<u>2,240,149</u>	
	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
Unrestricted funds						
<i>General</i>						
General fund	2,293,301	108,354	(559,962)	90	216,807	2,058,590
<i>Designated</i>						
Fixed asset reserve	<u>253,521</u>	<u>1,518</u>	<u>(10,492)</u>	<u>-</u>	<u>-</u>	<u>244,547</u>
Total unrestricted funds	<u>2,546,822</u>	<u>109,872</u>	<u>(570,454)</u>	<u>90</u>	<u>216,807</u>	<u>2,303,137</u>
Restricted funds						
MM & WW Kay Memorial Fund	1,753	-	-	-	-	1,753
F & B Tetlow Fund	29,722	-	-	(90)	2,645	32,277
W Burrows Educational Fund	<u>3,740</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>264</u>	<u>4,004</u>
	<u>35,215</u>	<u>-</u>	<u>-</u>	<u>(90)</u>	<u>2,909</u>	<u>38,034</u>
Total funds	<u>2,582,037</u>	<u>109,872</u>	<u>(570,454)</u>	<u>-</u>	<u>219,716</u>	<u>2,341,171</u>

Independent Methodist Association Incorporated (The)

Notes to the Financial Statements for the Year Ended 31 December 2020

20 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds
	General £	Designated £		
Tangible fixed assets	-	234,681	-	234,681
Fixed asset investments	1,740,054	-	-	1,740,054
Current assets	234,108	-	38,290	272,398
Current liabilities	(6,984)	-	-	(6,984)
Total net assets	1,967,178	234,681	38,290	2,240,149

	Unrestricted funds		Restricted funds	Total funds
	General £	Designated £		
Tangible fixed assets	-	244,547	-	244,547
Fixed asset investments	1,965,753	-	-	1,965,753
Current assets	95,052	-	38,034	133,086
Current liabilities	(2,215)	-	-	(2,215)
Total net assets	2,058,590	244,547	38,034	2,341,171