

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

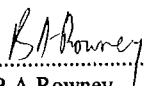
Funds held as custodian trustee on behalf of others

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

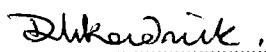
All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 19.

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>

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

8 Expenditure on charitable activities

	Unrestricted funds			
	General	Restricted	Total	Total
	£	funds	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	153,328	4,000	157,328	70,263
	<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>

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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	<u>8,024</u>	<u>766</u>	<u>1,302</u>	<u>10,092</u>
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>

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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).

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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	244,547	262	(10,128)	-	234,681
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	4,004	-	-	24	4,028
	<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	(4,978)	-	-	(4,978)
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	(6,984)	-	-	(6,984)
Total net assets	<u>1,967,178</u>	<u>234,681</u>	<u>38,290</u>	<u>2,240,149</u>