

FULWOOD FREE METHODIST CHURCH

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

Charity Registration No: 514359

Azets
Accountants
Floor 1, Capital House
8 Pittman Court
Pittman Way
Fulwood
Preston
PR2 9ZG

FULWOOD FREE METHODIST CHURCH

CHARITY REGISTRATION NUMBER: 514359

CONTENTS

	Page
Charity Information	1
Trustees' report	2 to 13
Independent examiners report to the trustees	14
Statement of financial activities	15
Balance sheet	16
Notes to the financial statements	17 to 31

FULWOOD FREE METHODIST CHURCH
CHARITY REGISTRATION NUMBER 514359

CHARITY INFORMATION

Charity Name:	Free Methodist Church, Fulwood
Governed By:	Book of Discipline Approved scheme of the Charity Commission dated 21 April 1983 and last amended 9 March 2000
Charity Number:	514359
Principal Address:	Fulwood Free Methodist Church Lightfoot Lane Fulwood Preston PR2 3LT
Main Bankers:	HSBC 49A Fishergate Preston PR1 8BH
Solicitors:	Napthens 7 Winckley Square Preston PR1 3JD
Independent examiner:	Julie Flintoff BA (Hons) FCA Azets Floor 1, Capital House 8 Pittman Court Pittman Way Fulwood Preston PR2 9ZG

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees are pleased to present their report, together with the financial statements of the charity for the year ending 31 December 2021.

Board members/trustees register

The trustees serving during the year and since the year end were as follows:

Name	Role	Sub-Committee	Appointed	Retired
Rev Ian Winter	Senior pastor	SLT	11.04.22	
Rev Andrew Gardner	Senior pastor	SLT		26.02.21
Rev Ian Clarkson	Pastor	ALT & SLT	26.02.21	31.12.21
Dr Philip Johns	Chair of finance	ALT		
Mr Matthew Johns	Treasurer	ALT		
Mr David Brown	Lay delegate	SLT		
Prof D Hamblin		ALT		
Mrs Louise Hoyle	Lay delegate	SLT		15.09.21
Mr Geoff Tomlinson	Church secretary	ALT		
Mr Andrew Slack		SLT		
Mrs Carol Gornall	Lay delegate	SLT		
Mr Stephen Allen		ALT	15.09.21	
Mr Jonathan Leeming		SLT	15.09.21	
Mr Daniel Feeny		SLT	15.09.21	

Notes:

SLT means Spiritual Leadership Team

ALT means Administrative Leadership Team.

The Board of trustees comprises the SLT plus the ALT

Governing Document

The approved scheme dated 21 April 1983, as amended on 9 March 2000 is the controlling Charity Document (Charity Number 514359) but this Scheme recognises the role of Book of Discipline of the Free Methodist Church of North America as amended from time to time (Latest version dated 2011). The Church is also part of the GB Conference of the Free Methodist Church, and is under the discipline of the Conference as described in the Book of Discipline.

Appointment of Trustees

The Senior Pastor (a Trustee) is appointed by the GB (UK) Conference of the Free Methodist Church. Other Trustees are appointed by a ballot vote of the Church Members present at the Annual Society Meeting (held in June) or any of the other Society Meetings held at other times. They serve for a period of three years, but there is no limit to the period of service if nominated and re-elected at the end of their three year term. Additionally, Lay Delegates are affirmed annually.

Election requires a 50% majority of the members present. Nominations are invited from church members three months in advance, closing one month later. If there are no or insufficient nominations at the closing date, the Board is empowered to make nominations as a cooperative body.

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Trustee Induction and training

After election, new trustees must sign the minutes of the first Board Meeting which they attend, indicating their willingness to accept the role and responsibilities which are required. The first responsibility of a Trustee is to accept a position as a Church Leader, and Church Leadership courses are regularly organized by the Church. It is expected that trustee nominees will already be in leadership roles in church departments or will have participated in a leadership course. The Framework Document is made available to them to clarify the leadership structure of the church. The legal responsibilities of trustees are explained by making available copies of the Approved Scheme, the Book of Discipline, appropriate Charity Documents, (eg The Essential Trustee) and a number of internal documents (including The Biblical Basis of Leadership, Decision Making in FPMC, Standing Financial Instructions, the Health & Safety Policy, and the Safeguarding Policy).

All nominees must already be Church Members and a condition of Church Membership is a requirement to accept and support the scriptural doctrines and principles required of members of the Free Methodist Church, as outlined in the Book of Discipline. Each Trustee is expected to have DBS clearance at appointment, (unless DBS clearance has already been obtained as required by some other role within the Church.)

Organisation

Major decisions are discussed and approved at Society Meetings where all church members can vote while non-members who attend the church can attend the Society Meeting but cannot vote. The Board consisting of all elected trustees and the Senior Pastor (a Trustee whose remuneration is specifically allowed for in the Charity Scheme) meets at least 4 times per year, and at other times if necessary. It delegates Spiritual leadership issues to the Spiritual Leadership Team (SLT) which comprises the Senior Pastor, two lay delegates, plus a further lay delegate for each ordained minister, (Lay Delegates attend and vote at the GB Annual Conference of the Free Methodist Church) plus ordinary members to take the total to a maximum of 8 members (including the Senior Pastor). The Board also delegates general management issues to the Administrative Leadership Team (ALT), some of whom are appointed to a specific role (i.e. Church Secretary, Church Treasurer, Chair of Finance,) while three others are appointed "without portfolio" and are given administrative responsibilities from time to time as agreed by the Board. The Board receives minutes from both the SLT, and the ALT, who can also pass major items back to the board for final decisions.

The Framework Document sets out the principal sub-committee leadership structure so that each ongoing activity of the Church is part of a particular Ministry Group. All of these groups comprise volunteers from the Church congregation, and are led by a Ministry Group Leader, who liaises with the Board.

A key Ministry Group is the Global Partnership Team who deal with the Church's giving to other organizations both in the UK and elsewhere in the world. The Church gives a minimum of 15% of its general income to these causes, along with the proceeds of several Gift Days each year. (These are Sundays when the offerings taken on that day are given to a specific cause). This Team's plans are approved at a Society Meeting.

In the fourth quarter of the year the Chair of Finance heads up a small team to prepare a budget for the following year. This is based on prudent estimates of anticipated income from offerings, together with expected financial requirements which are related to the overall vision of the Church for the following year. This passes to the ALT, the Board and finally to the February Society Meeting when the treasurer also presents (unexamined) financial information relating to the previous year.

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Related Parties

- 1) From time to time members and trustees are appointed to positions of responsibility in the functioning of the GB (UK) Conference of the Free Methodist Church. (Itself a Registered Charity). The Conference Boards all consist of Free Methodist Pastors and Church Members.
- 2) Some Trustees are also Trustees of other Christian Charities in Preston.

None of these represents a conflict of interest.

Risk Management

The trustees are aware of particular risks and take appropriate steps to control these risks and mitigate any impact they might have.

Budgetary control is actively pursued by preparing an annual budget and by studying the quarterly financial statements prepared by the Treasurer. Then when necessary, spending controls are introduced in addition to regular controls to keep spending within the actual income.

Insurance policies for buildings, trustees and travel are in place and reviewed from time to time to ensure the values insured are adequate. Changes in the assets are also monitored to ensure that the insurance cover is adequate.

Protection of the Church Building is strengthened by the fitting of a maintained security system an internal and external CCTV system, (External system recently upgraded to incorporate digital cameras) and a comprehensive fire alarm system. Cash theft from inside the church is minimised by the fitting of appropriate safes for the storage of cash (e.g. offerings before banking, income received for charitable events, or petty cash floats).

All people working with children and/or vulnerable adults have DBS clearance (renewed every three years where required) and this is complemented by a carefully prepared and implemented Safeguarding Policy. From time to time all people working with children or vulnerable adults have received specific training by Thirty One : Eight (previously Church's Child Protection Advisory Service). The CCTV installation throughout the premises provides additional protection for all visitors and staff and volunteers.

The church makes wide use of computers for many of its activities (for which it holds a data protection licence). These computers are replaced as and when necessary to ensure software upgrades can be applied. The Church now uses Churchsuite, a software system which complies with current GDPR requirements, and holds much information about activities and attendees. For example it has been extremely useful during the COVID situation in allowing us to keep in contact with Church attendees who have registered their willingness to be contacted by E-mail.

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit, when reviewing the charity's aims and objectives and in planning future activities.

The Fulwood Free Methodist Church was built on the present site some 45 years ago. It is part of a worldwide network of Churches entitled "Free Methodist Churches Worldwide" (HQ Indianapolis, Indiana, USA). Locally it is part of the GB (UK) Conference (FMCUK, Conference Office, 47 High St, Kingswood, Bristol BF15 4AA). Each Church is an individual charity with its own Charity Document while the Spiritual Ethos is laid down in the Book of Discipline, a fact which is recognised in the FPMC Charity Document.

When planning the charity's activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, and in particular the specific guidance to charities for the advancement of religion. The main objective of the Charity is the promotion of the Christian Faith in the local community in Fulwood and other parts of Preston. Other worldwide activities are often in conjunction with our sister Free Methodist Churches, or other Christian Charities. Main activities on the Fulwood site are regular Church Services, Youth and Children's activities and other miscellaneous activities. These are directed by the Senior Pastor, and other ministerial staff, together with Board Members and many other volunteers. All these activities are open for anybody to attend, although most people do attend regularly.

ACHIEVEMENTS AND PERFORMANCE

The buildings on the Lightfoot Lane site have been erected in 3 major developments since opening in 1978, and completed in 2008.

Currently the staff team comprises the senior, associate, discipleship, and lay pastors, the childrens, youth & family leaders, the two CAP staff, the general secretary, the building manager and the housekeepers, who meet weekly to co-ordinate the smooth running of the church activities.

The pastoral staff are allowed a period of Sabbatical Leave every five years, and funds are provided to facilitate a period of study. The senior pastor took a sabbatical in 2015, and the assistant pastor in 2018, and the senior pastor was due again in 2020. His plans had to be changed in the light of the COVID situation, and his retirement in 2021, and were to be completed after he left the Fulwood Church.

In 2008 the UK Free Methodist Conference replaced the Conference Superintendent by a National Leadership Team, (NLT), comprising two FMC Pastors. Andrew Gardner, the senior Pastor at Fulwood was appointed to this team, as from Autumn 2012. For this work he was seconded to Conference for 1.5 days per week, for which the Church was reimbursed. This role ceased on 31 December 2020, but now NLT has been dissolved and replaced by a National Leader of FMC UK and Northern Ireland.

The Church's activities are managed through Ministry Groups, each of which is led by a Group Leader, and includes a Board Member. Each group reports to the Board and makes minutes of its meetings available to the Board. While it is clear that many activities are aimed at regular church attendees, no activity is "out of bounds" for casual visitors, and some activities are particularly aimed at people who otherwise have no association with the Church.

The information given about the activities of the different ministry team is of course correct up and until the closure of the church due to the COVID situation which for Fulwood FMC began on 17 March 2020. However, we are now almost back to a pre-covid situation, as described under "Impact of the Covid Pandemic".

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

The Gatherings Team takes care of regular Sunday services and weekly prayer meetings (held at 7.00 am, 2.00 pm and 7.00 pm each Tuesday on line.) Prayer requests are brought from a wide range of sources from worldwide disasters to individuals some of whom have no other contact with the church. From September 2015 we have held two services each Sunday morning but since returning to in person services there has been just one service. This service this is still available on line on YouTube, but we are planning to return to two services again in Spring 2023.

The Outreach Team work to extend the message of the Gospel outside the borders of the Church itself. They lead regular events aimed at people enquiring about the Christian Faith such as the Alpha Course. The team also plan special events from time to time which are aimed to be of interest to Non-Christians.

Volunteers from Fulwood are at the forefront of the Street Pastor initiative in Preston. Along with volunteers from other churches, they work with the Police and local authority staff to provide a presence on streets where problems occur. Currently Street Pastors work in several areas of the city. The Church also operates a CAP (Christians Against Poverty) Centre. This is a national organisation, based in Bradford which aims to help anybody who finds their debt situation unmanageable. It is led in Fulwood by a Centre Manager, and by a Debt Coach, who are supported by a number of volunteers, and they liaise with the Bradford Centre, ensuring that correct debt advice is available to clients. This operation from the Fulwood Church aims to help clients living in the Fylde, Longridge, and North Preston. Some clients are regularly declared debt free.

The Children's, Youth & Families Ministry delivers an energetic programme covering the ages from birth to eighteen. Some activities take place Sunday Morning (Energise and Ignite) while others take place on weeknights. The weeknight activities attract many children and young people who have no other Church connection, some of whom go on to become regular church attendees. They also manage the weekly Toddler Groups and a Bump and Baby groups which meet regularly during term time. More recently a group entitled "Who let the Dads out?" meet occasionally on a Saturday morning. All of these activities are open to all comers, and are managed by volunteers.

The Discipleship Ministry focuses on both new Christians and the more mature. They are responsible for the adult and youth Homegroups which aim to supplement the teaching and fellowship presented at Sunday Services. This group is led by the Discipleship Pastor who has recently returned to active ministry following a major stroke.

The Friends and Neighbours Ministry probably has the widest impact in the area around the Church among non-church people as well as supporting Church attendees in many situations. The Wednesday Lunch Break provides soup and a sandwich for up to 60 people each week, including a group from a local care home specialising in people with significant learning difficulties. We also have a Food Pantry which is kept topped up on a continuous basis so there is always something available in an emergency. This FFM Food Bank is also linked to similar projects run by the Preston Christian Action Network and the Salvation Army so we are able to co-operate with others in and around Preston. It also supports the CAP Centre (see above) as an important additional resource for clients seeking debt help.

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

A weekly activity known as “Inspirations Crafts” attracts ladies from many backgrounds who simply enjoy the sewing and the company of other likeminded ladies, most of whom have no other connection with the church.

This Ministry also supports the “Men’s Breakfast”, where an invited speaker addresses topics of particular relevance to men. This along with many activities was paused during covid, but there are plans to begin again shortly.

Another activity is a weekly carpet bowling group. This has attracted a large cohort of new people and now meets in Cedar, our main worship area as it offers the largest area for bowling lanes.

The Global Partnership arranges support for many of our mission contacts and in particular allocates the Missions Budget which comprises a minimum of 15% of general church giving. The Team also organises VISA (Volunteers in Service Abroad) Teams. These teams visit the various projects which the church supports and undertake various practical activities while there. No VISA teams took place 2022 due to uncertainty around the Covid-19 pandemic. We hope to restart them in 2023

Another aspect of our missions’ support is the Kibogora Initiative that supports the work of Kibogora Hospital in Rwanda. It has its own ring-fenced bank accounts and raises funds under the title Kibogora Initiative. The main source of funds in 2021/22 was a gift day at Fulwood Free Methodist Church and regular monthly gifts many of which are through the sponsor-a-bed appeal.

Support was also provided for the Free Methodist Polytechnic in Kibogora. The sponsor-a-pastor scheme has continued to provide scholarships for Rwandans who simply cannot afford to meet their own costs. Funding for this is channelled through the Kibogora accounts, as are other specific gifts for the polytechnic. David Hamblin, one of the Fulwood trustees has now retired from being Rector, but remains Rector Emeritus of the polytechnic and remains in contact, providing advice and support where he can.

Within Rwanda the Kibogora Initiative is part of the Better Together group which seeks to improve communication amongst the various organisations involved in the hospital. This group includes the UK Free Methodist Conference, the Rwanda Free Methodist Conference, representatives of the Kibogora Free Methodist Church and CAHO (Central African Health Organisation: an American Charity which supports the work at Kibogora). The planned Better Together meeting in Kibogora in November 2021 could not take place, however Better Together introduced a quarterly review meeting using Zoom with all the partners and has proved highly effective in maintaining contact, reviewing progress and encouraging the people on the ground in Rwanda. Better Together will meet in person in November 2022 at Kibogora. We also receive monthly written reports from Kibogora describing activities undertaken.

The coronavirus pandemic has significantly affected our overseas partners where “lockdowns” have a massive impact on the poorest people who live day-to-day buying food today from the money they earn today, and when they cannot go to work their family does not eat. Pan de Vida in Ecuador, International Aid in Sierra Leone and the Kibogora Initiative in Rwanda have all responded to these needs. Our 2021/22 gift days for these organisations have raised funds to help with this support, and we have seen continued generosity from our congregation despite the difficult times many face here in the UK.

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Sale of Land North of Eastway

In November 2016, the Land North of Eastway (approximately 13 acres) was sold to Barratts, with planning permission for the erection of 140 dwellings. The land was jointly owned with Crown Lane Churches. The agreed split of the proceeds was one third to Fulwood Free Methodist Church, resulting in funds of £1,179,928.

The Board have considered the impact of this additional income, and the overall spending plans were approved by members at the Society Meeting in February 2017. As the FMC Book of Discipline requires that such income will be used within 5 years, the spending plan takes this into consideration.

The five-year budgeted spending plan was approved as follows:

£169,000	To give away to other bodies representing 15% of income received
£450,000	To increase the number of staff from 7 to 12
£271,000	To enhance the building and grounds
£6,000	To support Ministry Groups
£177,000	To cover the current shortfall in giving
£107,000	Held for future development
£1,180,000	

The additional staff members include the CAP Centre Manager, CAP Debt Coach, Youth & Children's Workers and Discipleship Pastor.

This fund has been used in the following capital projects:

- Cedar heating and ventilation – £120,000 (Actually cost considerably less = £85,200)
- New carpets in Oak and Cypress – £20,000 (Actual cost £13,700)
- Sound and visual replacements/enhancements – £41,000 (Actual cost £48,000)
- Extension of the car park – £55,000 (final cost £94,361 for works to the existing car park, completed in Spring 2022)
- New chairs in Cedar – £30,000 (actual cost £22,300)
- Other minor works – £5,000 (actual cost £19,100)

Total to date £282,661 of £271,000 allocated.

The car park extension has not taken place as intended because the planning application required a new complex and costly drainage system, plus significant other costs which ruled the original plans out of reach. However these funds have been used to resurface the existing car park, along with relining the parking areas, new more energy efficient lighting, and new digital cameras for the external CCTV facility. This all took place in spring 2022. Planned resurfacing is required at approximately 20 year intervals, and on this occasion a level games area was created to enable games to be played by our various youth groups. This represents the last major capital spend.

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Shortfall in giving

It was expected that with the investments in these key area's, attendance would increase coinciding with the completion of housing developments near the church. We expected that this would lead to an increase in congregation and in time greater giving, resulting in reduced need for funds from the land sale proceeds allowing the Board to reallocate funds to other causes or developments. Although giving has increased, it is not yet at the levels required to sustain the additional staff appointed. No doubt these anticipated increases have been muted by the Covid situation, which could not have been anticipated 5 years ago when the land income was allocated to appropriate projects.

We have introduced facilities for giving by other means (e.g.online or by card) in order ensure that giving is both easy and in line with modern transaction procedures, and especially to encourage giving by the younger group of our Church.

FINANCIAL REVIEW

A summary of our income and expenditure is set out on page 15. Total receipts from unrestricted funds during the year were £287,474 (2020: £293,853), of which committed giving totalled £249,819 compared to £260,171 in 2020.

Restricted donations of £123,734 (2020: £115,413) were also received and are detailed in the financial statements in note 20.

Total expenditure was £447,171 (2020: £549,226) as disclosed on page 15.

The net result for the year was a deficit of £35,963 compared to £139,960 in 2020.

Income is mostly derived from free will gifts made to the church by Church Members and other attendees, some of which is designated to specific causes. This income is supplemented by tax refunds on Gift Aided gifts, and occasionally by income from other charities, usually other Christian organisations or grants from public bodies.

The trustees manage incoming resources by a combination of prudent spending within an annual budget which is set by the Finance Committee and approved by the Board and Church Members. Surplus funds can be invested, but these amounts are usually relatively small and are usually identified for future developments.

The trustees, by virtue of the regular Board meetings, constantly make judgements and estimates relating to available funds and appropriate allocation of those funds. These are based on regular (four times per year) Income and Expenditure accounts prepared by the Church Treasurer and scrutinised by the Board. Unexpected demands on these funds can then be handled appropriately. The Trustees, through the Treasurer, keep appropriate records which satisfy the legal requirements placed on trustees.

Reserves policy

The accounts show the current state of the finances which the trustees consider to be sound. The trustees are satisfied that the assets of the charity are available and adequate to fulfil the obligations of the Charity.

In accordance with guidelines issued by the Charity Commissioners the level of reserves have been considered and reviewed at regular intervals by the trustees. At this time our free reserves are £495,214 (note 19). The trustees have agreed on a plan on how some of these reserves will be spent; see page 8 'Sale of Land North of Eastway'.

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Key management personnel remuneration

The trustees consider the board of trustees and pastoral team as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. Details of key management personnel remuneration, trustee expenses and related party transactions are disclosed in note 23 to the accounts.

Trustees are required to disclose all relevant interests and record them on the 'Register of Interests'.

CHANGE OF SENIOR PASTOR

Initially the senior pastor, Rev Andrew Gardner had intended to retire some time in 2020, but delayed this partly because of the Covid situation, finally retiring on 16 February 2021. Our associate pastor was appointed acting lead pastor in the interim. The senior pastor's sabbatical plans were also delayed until January-February 2021, but even these plans were changed because of continuing Covid restrictions.

Later this year a search team of four was set up including the two lay delegates, and two members of the ALT. The National Leader of Free Methodist Church in the UK had indicated to us that there was no suitable pastor within the UK Free Methodist Church to recommend to us as future senior pastor. The search team identified a "preferred candidate" and after negotiations with him, he came to the Church in spring 2022. His arrival was delayed by covid infections in his family at critical times, and at present he has chosen to spend a significant amount of time getting to know key people and how we work at present.

PLANS FOR FUTURE PERIODS

Since the arrival of the new senior pastor in Spring 2022 he has been engaged in a process of meeting key people on a one to one basis, as well as regular meetings with the staff team. This has enabled him to evaluate the situation at present and consider his vision for the best way forwards.

In October there was an away day for trustees and staff team when he outlined his vision and plans for the future periods. In many ways this represents significant changes from the past, so we expect that there will be a time of unfolding these details and putting them into practice.

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

SERIOUS INCIDENT

On 15 April 2021 a planned regular inspection of the main chandelier and its suspension wires by a competent person, who provided his companies lifting machine to give him access to the roof void above the chandelier was in progress. While in this space he fell through the ceiling and to the floor below (about 9 metres), bringing the chandelier down with him. He was admitted to hospital with multiple fractures and internal injuries. Three "Church People" present witnessed the incident which was reported to HSE.

Subsequently Preston Environmental Health Department Dept (Two inspectors) attended on behalf of HSE. They sealed off the room (Main worship area of the church) and served a prohibition notice to prevent further access to the roof void above the chandelier. This was reported to Riddor, and HSE, and the Police and Fire & Rescue also attended. (This is a resume of the report sent to the Charity Commission on 22/04/2021, by P Johns, Chair of Finance and CC liaison person.)

This incident had an adverse effect on our Covid restricted worship activities, for details see the section on the Impact of the Covid Situation.

After many conversations with official bodies, as well as our insurers we were able to have the ceiling damage repaired and use the room for worship services again, but there is still a prohibition notice on accessing the roof space from where the person fell. This is likely to remain as the roof construction, while correct at the time of building, would not be allowed today.

An update was requested by the Charity Commissioners in the form of 4 specific questions, which were answered on 14 July 2021. They responded on 30 July 2021 saying "Based on the information which you have provided, which we assume is a full and frank disclosure of the relevant facts, you have assured us that the trustees are dealing with the matter appropriately and responsibly."

Insurance negotiations have now been completed and an offer of some £10,000 was made and accepted for the cost of damage to the chandelier, and the company's insurance accepted liability for the incident. We are glad to report that the injured person has made a good recovery, and we have been allowed to visit him.

Through all of this we have had the benefit of advice from our Discipleship Pastor, who has previously worked in the area of health and safety.

In June 2022 a Safeguarding incident was reported to the Charity Commission but their response was to consider the matter closed as they felt that our team had handled the situation appropriately and responsibly.

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

IMPACT OF THE COVID SITUATION

We first closed the church on 17 March 2020 and began to allow limited openings with precautions from 1 August 2020, with some limited in-person services from October 2020. We held limited in-person services at Christmas, followed by further lockdown. By Easter (4 April 2021) we were anticipating a gradual return to in person services but the Critical Incident (see "Serious Incident") on 15 April put our main worship area out of bounds until the end of May 2021. Since then, a gradual return to a more normal situation has begun and is almost complete. During the whole of this time, we continued to produce on-line services, available on YouTube, and the plan is to continue this facility.

During periods of closure we have been using the internet to keep in contact with people. Various pastoral staff have been sending prayer letters by e-mail to all who signed up on Churchsuite to be contacted in this way. Also from the first date of closure we produced an on line service each Sunday morning, prepared by participants during the week, and made available by YouTube. These were entitled "Fulwood Scattered", and remain available to watch for a considerable time. During the week regular updates on YouTube have been produced by various members of the pastoral staff. At present our Sunday morning in-person service goes out live on YouTube, a process which has necessitated some upgrading of our technical equipment. This single service is now available in person without booking, singing by the congregation being possible since July 2020. For those who request socially spaced seating, this was available to people, but is now no longer needed.

Impact on staff has varied. The pastoral staff and general secretary have remained "In work" to be available by various means to support people with different needs. During this period several Fulwood people have died, or suffered severe illness so the pastoral staff have been quite busy, despite their work looking very different. Several other staff have been furloughed as appropriate, but all are now working as normal as we are holding services once again. Our CAP work has been closed for much of this time, partly due to advice from CAP headquarters and partly due to the inability to meet clients in their own homes.

General giving has not been adversely affected by the COVID pandemic. Gifts to the Gift Aid account and other monthly transfers have continued as normal, although cash and cheque gifts have unsurprisingly decreased. Ministry group income almost completely stopped when these activities did not take place, but is beginning to pick up again as most ministry activity is beginning again, albeit in some cases in a slightly different form. We have been able to use the newly introduced Churchsuite to enable giving through our website, and also introduced a "Giving Station" in the church foyer which allows giving by card. However the main giving route is still by bank transfer, either by regular standing order, or one off gifts. Significantly new people have joined us on a regular basis, having first watched our on line services.

During this time we have been able to provide food parcels, and this has been supported by extra giving towards our CAP food bank. Also we set up an internal fund to give help to people who were struggling financially, and this was channelled through the pastoral staff.

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

RESPONSIBILITIES OF TRUSTEES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts & Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for prevention and detection of fraud and other irregularities.

Signed on behalf of the Board of Trustees

P Johns
Chair of Finance

Dated: 19 October 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

I report to the trustees on my examination of the accounts of the Fulwood Free Methodist Church for the year ended 31 December 2021.

Responsibilities and basis of report

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

I report in respect of my examination of the charity accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity'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 member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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

Julie Flintoff BA (Hons) FCA
Floor 1, Capital House
8 Pittman Court
Pittman Way
Fulwood
Preston
PR2 9ZG

Dated: 20 October 2022

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds	
				2021 £	2020 £
Income from:					
Donations and legacies					
Local community	2	258,014	33,471	291,485	323,965
Wider community	2	767	90,263	91,030	76,938
		<u>258,781</u>	<u>123,734</u>	382,515	<u>400,903</u>
Charitable activities					
Local community	3	13,842	-	13,842	7,686
Investments					
Local community	4	191	-	191	635
Wider community	5	135	-	135	32
Other trading activities					
Local community	6	-	-	-	10
Other					
Local community	7	<u>14,525</u>	<u>-</u>	14,525	-
Total income		<u>287,474</u>	<u>123,734</u>	411,208	<u>409,266</u>
Expenditure on:					
Charitable activities					
Local community					
Church Costs	8	306,324	16,905	323,229	366,205
Grants made	9	7,233	18,969	26,202	20,980
Wider community					
Grants made	10	31,100	66,253	97,353	161,718
Bank charges	11	-	387	387	323
		<u>344,657</u>	<u>102,514</u>	447,171	<u>549,226</u>
Total expenditure		<u>344,657</u>	<u>102,514</u>	447,171	<u>549,226</u>
Net income/(expenditure)		(57,183)	21,220	(35,963)	(139,960)
Transfers between funds	20/21	-	-	-	-
Net movement in funds		<u>(57,183)</u>	<u>21,220</u>	(35,963)	<u>(139,960)</u>
Reconciliation of funds:					
Total funds brought forward		<u>2,419,408</u>	<u>98,860</u>	2,518,268	2,658,228
Total funds carried forward	20/21	<u>2,362,225</u>	<u>120,080</u>	2,482,305	<u>2,518,268</u>

The notes on pages 17 to 31 form part of these financial statements

FULWOOD FREE METHODIST CHURCH
CHARITY REGISTRATION NUMBER 514359

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 Unrestricted	2021 Restricted	Total Funds 2021	2020
		£	£	£	£
FIXED ASSETS					
Land and buildings	13	1,752,035	-	1,752,035	1,752,035
Fixtures, fittings and equipment	14	114,976	-	114,976	137,021
Office Equipment	14	-	-	-	588
Motor Vehicles	14	-	-	-	-
		<u>1,867,011</u>	<u>-</u>	<u>1,867,011</u>	<u>1,889,644</u>
CURRENT ASSETS					
Debtors and prepayments	15	47,647	15,890	63,537	36,957
Cash at bank and in hand	16	<u>463,009</u>	<u>104,190</u>	<u>567,199</u>	<u>608,771</u>
		510,656	120,080	630,736	645,728
LESS CURRENT LIABILITIES					
Amounts falling due within one year					
Creditors and accruals	17	<u>(15,442)</u>	<u>-</u>	<u>(15,442)</u>	<u>(17,104)</u>
NET CURRENT ASSETS		<u>495,214</u>	<u>120,080</u>	<u>615,294</u>	<u>628,624</u>
TOTAL NET ASSETS	21	<u><u>2,362,225</u></u>	<u><u>120,080</u></u>	<u><u>2,482,305</u></u>	<u><u>2,518,268</u></u>
FUNDS OF THE CHARITY					
Unrestricted funds	19	2,362,225	-	2,362,225	2,419,408
Restricted funds	20	<u>-</u>	<u>120,080</u>	<u>120,080</u>	<u>98,860</u>
		<u>2,362,225</u>	<u>120,080</u>	<u>2,482,305</u>	<u>2,518,268</u>

Approved by the Board of Trustees and signed on its behalf by

M Johns
Treasurer

Date: 19 October 2022

The notes on pages 17 to 31 form part of these financial statements

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these accounts are rounded to the nearest £.

Fund accounting

The accounts include all transactions, assets and liabilities for which the Trustees and Board are responsible in law.

Unrestricted funds are those available to the Trustees and Board for general use without restriction, in furtherance of the charity's objectives.

Designated funds are those, where donors have expressed a preference, without imposing a trust, or unrestricted funds set aside at the discretion of the trustees for specific purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Restricted funds are detailed in Note 20.

No accounts of informal gatherings of church members are included as these are not under direct Board control.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

Incoming recognition

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 income receivable can be measured reliably.

Voluntary income received by way of donations and gift aid is included in incoming resources on a receivable basis.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/ executor for the estate has communicated in writing both the amount and settlement date.

Voluntary Tithes and Offerings are recognised when received by or on behalf of the Church. Covenants are recognised only when received. Investment income is recognised on a receivable basis.

Grant income is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income is apportioned between that received from and for the local community in Preston and income for use elsewhere (wider community).

Gifts in kind

The church benefits from many voluntary hours and unclaimed out of pocket expenses contributed by a large number of people. It would be impossible to place a value on these gifts in kind for which we are extremely grateful.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Donations payable are payments made to third parties in the furtherance of the charitable objects of the Trust.

Like income, costs are apportioned between those for the local community in Preston and those for elsewhere (the wider community). Costs are recognised in the period in which they are incurred and are allocated to the particular activity, where the costs relate directly to that activity.

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently at their settlement value.

Basic financial assets

Trade and other receivables are recognised at the settlement amount. Cash at bank and in hand includes cash and immediate deposits.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

Basic financial liabilities

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will result in payment to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

Value added tax

As the charity's activities are classified as exempt for the purposes of Value Added Tax, the charity is unable to reclaim Value Added Tax which it suffers on its purchases. Expenditure in these financial statements is therefore shown inclusive of Value Added Tax.

Allocation of support and governance costs

Support costs have been differentiated between governance and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees.

Governance costs and support costs have been identified within notes 12 and 8 respectively. No support costs and governance costs have been allocated against raising funds as an immaterial portion of costs relate to this type of expenditure. The charity has only one type of charitable activity. The trustees have decided to meet all governance and support costs from local unrestricted funds and so no allocation or charge is made to restricted funds for any governance or support related costs.

Valuation of freehold land and buildings

The Land and Church Buildings were last revalued and included in the accounts at the valuation for insurance purposes as at 31 December 1997. All additions since are included at cost. No information about original cost is available.

Fixtures and fittings and equipment

Assets were originally included at an estimated value at 31 December 1997. Future additions have been included at cost with items under £250 being written off to revenue in the year of expenditure.

Depreciation

Depreciation is provided at the following rates based on the estimated useful lives of the fixed assets and the anticipated residual values:

Freehold land & buildings	Nil	
Fixtures, fittings & equipment	20%	Per annum reducing balance, or
	10%	Per annum straight line
Office equipment	33 $\frac{1}{3}$ %	Per annum straight line
Motor Vehicles	25%	Per annum reducing balance

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions are charged to the statement of financial activities and included in staff costs.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

2 Income from donations and legacies

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Local Community				
Committed giving	249,819	-	249,819	260,171
Andrew Gardner gift	-	-	-	4,344
Christians against poverty	-	28,962	28,962	34,070
Funeral collections	-	-	-	61
Food Bank Community	-	4,009	4,009	-
Government grants	7,064	-	7,064	10,491
Hannah Limbach gift	-	-	-	1,084
Catherine's child giving	-	500	500	-
NLT grant towards Pastor salary	1,131	-	1,131	13,744
	<u>258,014</u>	<u>33,471</u>	<u>291,485</u>	<u>323,965</u>
Wider Community				
Committed giving – Kibogora	-	30,465	30,465	32,616
Gift days - Kibogora	-	22,027	22,027	6,663
	-	52,492	52,492	39,279
Gift days - Other	-	36,514	36,514	35,054
Missionary boxes	-	-	-	42
Christian resource centre	-	-	-	1,250
Savannah & Samuele Cestari	-	1,132	1,132	1,095
Tithes & offerings	667	-	667	-
Small donations <£1,000	100	125	225	218
	<u>767</u>	<u>90,263</u>	<u>91,030</u>	<u>76,938</u>
Total	<u>258,781</u>	<u>123,734</u>	<u>382,515</u>	<u>400,903</u>
For 31 December 2020	<u>285,490</u>	<u>115,413</u>		<u>400,903</u>

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

3 Unrestricted income from charitable activities – Local community

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Church Departments:				
Use of premises	1,830	-	1,830	794
Preaching gifts	-	-	-	30
Ministry Groups:				
Outreach	1,237	-	1,237	2,720
Youth & Children	2,593	-	2,593	291
Friends & Neighbours	5,159	-	5,159	2,530
Families	1,886	-	1,886	1,050
Discipleship	385	-	385	265
Resources	752	-	752	6
	<u>13,842</u>	<u>-</u>	<u>13,842</u>	<u>7,686</u>
For 31 December 2020	<u>7,686</u>	<u>-</u>	<u>7,686</u>	<u>7,686</u>

A description of each Ministry Group can be found within the Trustees Annual Report on pages 6-7.

4 Unrestricted income from investments – Local community

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Bank deposit Interest	45	-	45	598
Interest on tax repayments	146	-	146	37
	<u>191</u>	<u>-</u>	<u>191</u>	<u>635</u>
For 31 December 2020	<u>635</u>	<u>-</u>	<u>635</u>	<u>635</u>

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

5 Restricted income from investments – Wider community

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Deposit interest – Kibogora	<u>135</u>	<u>-</u>	<u>135</u>	<u>32</u>
For 31 December 2020	<u>32</u>	<u>-</u>		<u>32</u>

6 Unrestricted income from other trading activities – Local community

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Fulwood Free Music	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>
For 31 December 2020	<u>10</u>	<u>-</u>		<u>10</u>

7 Unrestricted income from other – Local community

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Profit on sale of assets	-	-	-	-
Miscellaneous income	<u>14,525</u>	<u>-</u>	<u>14,525</u>	<u>-</u>
	<u>14,525</u>	<u>-</u>	<u>14,525</u>	<u>-</u>
For 31 December 2020	<u>-</u>	<u>-</u>		<u>-</u>

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

8 Expenditure on charitable activities – Local community – Church costs

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Gatherings (note 8a)				
Other	1,980	-	1,980	867
Discipleship (note 8b)	1,991	-	1,991	2,751
Resources/Support costs				
Technical resources	2,457	-	2,457	4,940
Building & grounds	144	-	144	5,228
Catering	879	-	879	1,073
Flowers	61	-	61	432
Printing & office costs	4,993	-	4,993	5,601
Running costs	19,871	-	19,871	20,121
Repairs & maintenance	12,343	-	12,343	11,639
Banner Group	-	-	-	300
Library	18	-	18	8
Safeguarding	1,581	-	1,581	428
Consumables	1,374	-	1,374	622
Bank charges	274	77	351	155
Payroll charges	612	-	612	401
Salaries				
Pastoral	111,487	-	111,487	146,338
Youth & Children	36,909	-	36,909	35,953
Christians Against Poverty	-	16,828	16,828	17,419
Admin	31,401	-	31,401	33,264
Housekeeping	14,484	-	14,484	17,160
Sundry expenses	1,704	-	1,704	2,658
Conference levy	10,232	-	10,232	9,801
Depreciation	29,590	-	29,590	27,435
Governance costs (note 12)	7,800	-	7,800	6,300
Outreach	2,867	-	2,867	6,607
Youth & Children	4,740	-	4,740	2,828
COVID expenditure	318	-	318	2,352
Travelling costs	281	-	281	251
Safeguarding staff	18	-	18	21
Job advertisement	275	-	275	-
Friends & Neighbours	4,635	-	4,635	2,155
Parent & Toddler	-	-	-	247
Families	1,005	-	1,005	850
	<u>306,324</u>	<u>16,905</u>	<u>323,229</u>	<u>366,205</u>
For 31 December 2020	<u>348,714</u>	<u>17,491</u>		<u>366,205</u>

Note 8a Gatherings include travelling expenses and visiting preachers costs.

Note 8b Discipleship includes teaching materials and training.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

9 Expenditure on charitable activities – Local community – Grants made

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Donations:				
Cedar House	2,500	-	2,500	2,500
Ministry to Asians in Preston	100	-	100	100
Preston Youth For Christ	100	-	100	2,500
Preston Street Pastors	4,500	-	4,500	2,500
Christians Against Poverty	-	9,644	9,644	10,851
Food Bank Community	-	4,578	4,578	
Savannah & Samuele Cestari	-	1,215	1,215	767
Andrew and Katharine's leaving	-	3,532	3,532	-
Hardship fund	-	-	-	350
Global Connections	-	-	-	1,000
Benevolent Gifts	-	-	-	45
Small donations under £1,000	33	-	33	367
	<u>7,233</u>	<u>18,969</u>	<u>26,202</u>	<u>20,980</u>
For 31 December 2020	<u>9,317</u>	<u>11,663</u>		<u>20,980</u>

10 Expenditure on charitable activities – Wider community – Grants made

Funding is mainly undertaken via partner organisations or for emergency relief.

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Donations:				
Kibogora	-	30,841	30,841	94,495
Overseas Missionary Fellowship	10,000	-	10,000	10,000
Pan de Vida	-	20,000	20,000	21,200
Open Doors	4,000	-	4,000	4,000
Sierra Leone	-	13,000	13,000	20,102
Haiti	2,000	2,318	4,318	
Missionary Boxes	-	-	-	100
Christian resource centre	-	-	-	1,071
Tear Fund	6,000	-	6,000	6,000
Safe families for children	1,000	-	1,000	1,500
AICT – Tanzania	-	-	-	1,250
Sports Reach	2,000	-	2,000	2,000
Shelling Trust	2,000	-	2,000	-
Impact for Middle East	4,100	-	4,100	-
International Aid	-	94	94	
	<u>31,100</u>	<u>66,253</u>	<u>97,353</u>	<u>161,718</u>
For 31 December 2020	<u>77,450</u>	<u>84,268</u>		<u>161,718</u>

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

11 Expenditure on charitable activities – Wider community – Other costs

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Bank Charges – Kibogora	387	-	387	323
For 31 December 2020	323	-		323

12 Governance costs – Local Community

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Accountancy fees	7,800	-	7,800	6,300
For 31 December 2020	6,300	-		6,300

13 Fixed assets – Freehold land and buildings

	Land & Church Buildings £
Cost/Valuation at 1 January 2021	1,752,035
Additions	-
Cost at 31 December 2021	<u>1,752,035</u>

Valuation of freehold land and buildings

The original Land and Church buildings were revalued and included in the accounts at valuation for insurance purposes as at 31 December 1997. All additions since that date have been included at cost. No information about original cost is available.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

14 Fixtures, fittings, equipment and motor vehicles

Cost	Fixtures, fittings & equipment £	Office Equipment £	Motor Vehicles £	Total £
At 1 January 2021	328,848	9,208	-	338,056
Additions	6,957	-	-	6,957
Disposals	(2,087)	-	-	(2,087)
31 December 2021	333,718	9,208	-	342,926
Depreciation				
At 1 January 2021	191,827	8,620	-	200,447
Charge for year	29,002	588	-	29,590
Depreciation on disposals	(2,087)	-	-	(2,087)
31 December 2021	218,742	9,208	-	227,950
Written down value at 31 December 2021	114,976	-	-	114,976
Written down value at 31 December 2020	137,021	588	-	137,609

15 Debtors and prepayments

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Tax refund on Gift Aid	44,942	15,890	60,832	34,237
Prepayments	2,705	-	2,705	2,720
	47,647	15,890	63,537	36,957
For 31 December 2020	25,840	11,117		36,957

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

16 Cash at bank and in hand

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
<u>Local Community</u>				
Current account	23,946	283	24,229	25,543
Lunch petty cash	67	-	67	77
Capital reserve account	416,920	-	416,920	481,190
Development Fund	69	1,745	1,814	1,891
Covenant account	10,570	-	10,570	8,371
Parents and Toddlers petty cash	340	-	340	20
Youth petty cash	-	-	-	15
Kick Start account	-	-	-	36
All In petty cash	-	-	-	36
Evangelism petty cash	-	-	-	46
Restricted account	-	35,335	35,335	35,307
Cash pending bank cash	104	-	104	-
<u>Wider Community</u>				
Kibogora	10,993	66,827	77,820	56,239
	<u>463,009</u>	<u>104,190</u>	<u>567,199</u>	<u>608,771</u>
For 31 December 2020	<u>521,028</u>	<u>87,743</u>		<u>608,771</u>

17 Creditors and accruals

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Other creditors	25	-	25	51
Accruals	12,185	-	12,185	12,388
PAYE/NI	3,232	-	3,232	4,665
	<u>15,442</u>	<u>-</u>	<u>15,442</u>	<u>17,104</u>
For 31 December 2020	<u>17,104</u>	<u>-</u>		<u>17,104</u>

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

18 Financial instruments

	Total Funds 2021 £	2020 £
Carrying amount of financial assets		
Debt instruments measured at settlement value	<u>60,832</u>	<u>34,237</u>
Carrying amount of financial liabilities		
Creditors measured at settlement value	<u>12,210</u>	<u>12,439</u>

19 Analysis of unrestricted charitable funds

	At 01.01.21 £	Incoming resources £	Resourced expended £	Transfers £	At 31.12.21 £
General Fund					
Free reserves	529,764	287,474	(315,067)	(6,957)	495,214
Designated Funds					
Property Asset Fund	1,889,644	-	(29,590)	6,957	1,867,011
Total	<u>2,419,408</u>	<u>287,474</u>	<u>(344,657)</u>	<u>-</u>	<u>2,362,225</u>

General Fund: The 'free reserves' of the charity after allowing for all designated funds.

Designated Funds: Whilst remaining part of the unrestricted funds, this expenditure has already been utilised and is therefore not available as part of the free reserves.

Property Asset Fund: The property assets fund is the value of the unrestricted funds already spent and represented by the tangible assets of the charity.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

20 Analysis of restricted charitable funds

	At 01.01.21 £	Income And Tax Recover- able £	Expend- iture £	Capital Expend- iture/ Loan repaym- ents £	Transfers (To)/ From Un- restricted Funds £	At 31.12.21 £
Revenue Funds						
Local Community:						
Free Voices Choir	43	-	-	-	-	43
Food bank community	2,202	4,009	(4,578)	-	-	1,633
Youth & Children	31	-	-	-	-	31
Christians Against Poverty	29,772	28,962	(26,472)	-	-	32,262
Andrew Gardner gift	4,344	-	(3,532)	-	-	812
Funeral donations	106	-	-	-	-	106
Catherine's child giving	-	500	-	-	-	500
Wider Community:						
Kibogora	51,797	52,493	(31,229)	-	-	73,061
Pan de Vida	1,940	21,528	(20,000)	-	-	3,468
Shoe box appeal	118	-	(94)	-	-	24
Missionary Boxes	252	-	-	-	-	252
Savannah	328	1,132	(1,215)	-	-	245
Craft Inspirations	1,672	125	-	-	-	1,797
India	1,673	-	-	-	-	1,673
Christian resource centre	179	-	-	-	-	179
Haiti	-	2,443	(2,317)	-	-	126
Sierra Leone	2,509	12,542	(13,000)	-	-	2,051
	96,966	123,734	(102,437)	-	-	118,263
Capital Fund						
Local Community:						
Development fund monies	1,894	-	(77)	-	-	1,817
	98,860	123,734	(102,514)	-	-	120,080

Revenue Funds

The individual revenue funds, the purposes of which are detailed above, received income during the year from donations containing restrictions. These donations are used for the continuation of the individual projects listed.

Capital Fund:

Development Fund

The development fund originally represented amounts given to the church to build the new annexe and equip it. As the annexe is now complete, gifts to the development fund were used for the repayment of the bank loan, taken out to partially fund the annexe costs. The bank loan is now fully repaid; the remaining funds will be used for development of the property.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

21 Analysis of net assets between funds:

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Tangible fixed assets	1,867,011	-	1,867,011	1,889,644
Current assets	510,656	120,080	630,736	645,728
Current liabilities	(15,442)	-	(15,442)	(17,104)
Long term liabilities	-	-	-	-
	<u>2,362,225</u>	<u>120,080</u>	<u>2,482,305</u>	<u>2,518,268</u>
For 31 December 2020	<u>2,419,408</u>	<u>98,860</u>		<u>2,518,268</u>

22 Summary of wages and salaries

	2021 £	2020 £
Total remuneration for the year amounted to:		
Main Church – Pastors	111,487	146,338
Main Church – Administration	45,885	50,425
Main Church – Youth & Children	36,909	35,953
Main Church – Christians Against Poverty	16,828	17,419
	<u>211,109</u>	<u>250,135</u>
The average number of paid staff for the year were:	2021 £	2020 £
Main Church: full time employees	2	3
Main Church: part time employees	7	7
Administration: part time employees	1	1
Domestics: part time employees	2	2
	<u>12</u>	<u>13</u>

No employee earned over £60,000 in the year.

The key management personnel of the charity comprise the trustees and pastoral team. The total employee benefits of the key management personnel of the charity were £111,487 (2020: £146,338).

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

23 Trustee remuneration and expenses

The pastor of the Church is also a trustee under the charity scheme sealed in March 2000. That scheme allows for payment of trustees, and in that role they received remuneration and expenses from the Church as detailed below:

		2021	2020
		£	£
A J Gardner	Gross salary	6,238	40,411
	Pension contributions (money purchase scheme)	499	3,235
		<u>6,737</u>	<u>43,646</u>
	Reimbursement received from NLT	<u>(1,131)</u>	<u>(13,744)</u>
I Clarkson	Gross salary	30,745	-
	Pension contributions (money purchase scheme)	2,460	-
		<u>33,205</u>	<u>-</u>

Rev Andrew Gardner, a trustee, received expenses totalling £Nil (2020: £700) for Sabbatical expenses during the year.

Rev Ian Clarkson, a trustee, received expenses totalling £398 (2020: £Nil) for travel and training expenses during the year.

The aggregate donations received without conditions from trustees were £62,774.

Vicky Johns, wife of a trustee, received remuneration in her role as secretary during the year of £15,784 (2020: £15,531).

No other trustees have received any remuneration in the year. Insurance premiums of £85 (2020: £85) were incurred by the charity during the year in respect of indemnity insurance for the trustees. The charity also has insurance premiums totalling £840 (2020: £840) to cover travel by trustees and non-trustees.

24 Taxation

The charity is exempt from tax on its charitable activities.