

REGISTERED CHARITY NUMBER 513110

ANNUAL REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2020

**The Coton Green Evangelical Free Church Trust  
Fund**

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for the Year Ended 31 December 2020**

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**The Coton Green Evangelical Free Church Trust Fund  
Report of the Trustees  
for the Year Ended 31 December 2020**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number 513110**

**Principal address**

The Coton Centre  
Comberford Road  
Tamworth  
B79 9AA

**Trustees**

Rev D Shearer	- appointed 27.01.19
Mrs N Shearer	- re-appointed 08.06.20
Mr J Knew	- re-appointed 27.01.19, Chair of Trustees
Mr D White	- appointed 08.06.20, resigned 25.01.2021
Mrs L Thompson	- appointed 27.01.19
Mrs M Watts	- appointed 31.01.19, resigned 20.09.2021
Mr S Antill	- appointed 08.06.20, resigned 15.03.2021
Mrs S Gilbert	- re-appointed 08.03.2021
Mrs G Johnson	- appointed 18.01.2021, resigned 13.09.2021
Mr P Hudson	- appointed 17.05.2021

**Senior Management**

Steve Le Page - Pastor

Lindsay Scott - Operations Manager

**Bankers**

NatWest  
8 Market Street  
Tamworth  
B79 7LS

**Independent Examiner**

Graham Cook FCA FCMA  
Godfrey Mansell & Co LLP  
Hales Court  
Stourbridge Road  
Halesowen  
B63 3TT

## **Report of the Trustees for the Year Ended 31 December 2020**

The Trustees have pleasure in presenting their report and the financial statements for the charity for the year ended 31 December 2020. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015).

### **Trustees**

The Trustees serving during the year and to the date of this report are listed on page 1.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives of the Church**

Advancing the Christian Religion by teaching and establishing the people of God in their faith through weekly ministry and pastoral visiting and by presenting the Lord Jesus Christ and His Gospel through preaching and other proper means to achieve the conversion of those who hear.

The Trustees review the aims and objectives and activities on a regular basis. The Church's Trust Deed was amended on 27 January 2008 to reflect changes in Church life and to update the document in line with current practice.

In carrying out this review the Trustees have considered the Charity Commission's general guidance on public benefit and its supplementary public guidance on the advancement of religion for the public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives agreed by the Leadership Team and Pastor.

The Church is a member of the Evangelical Alliance.

### **Public Benefit**

The principles under which the Charity operates in accordance with its aims and objectives are as follows:

- a) There are no restrictions on who can benefit, where they come from, or their financial circumstances, or their ability to pay, where charges are levied.
- b) Benefits to the public are not restricted to members of the church or to regular churchgoers.
- c) The facilities provided are accessible and open to all.
- d) The Charity wants to see all people regardless of race, creed or social standing, coming to a saving knowledge of Jesus Christ as their Lord and Saviour.

As a result of this the Trustees have listed all of the activities carried out, or planned to be carried out but limited by Covid 19 events, by the charity during 2020 under the following headings:

### **Provision of Church and Worship Services**

- Weekly services available to the public
- Regular outreaches in various locations.

### **Provision of Public Ceremonies**

- Celebration of marriages, funerals and baptisms.

### **Contributing to the Spiritual Wellbeing of the Public**

- The holding of Alpha courses
- Regular prayerful intercession for the towns and villages and our nation and other nations.

### **Contributing to the Spiritual and Moral Education of Children and Young People**

- Providing facilities for a parents and tots group
- The Pre-school
- Providing facilities for various youth groups/clubs to meet in both the building and in other locations
- Providing opportunities for young adults/youth development team building and the study of religious teachings and religious and instructions for children
- Supporting local schools and educational establishments in teaching religious studies, holding assemblies and Christian Unions
- XLM (mentoring of children and young adults).

### **Contributing towards promoting Social Cohesion**

- Promoting the study of religious teachings and practices and scriptures in homes
- Holding regular women's fellowship events and meetings
- Holding regular men's fellowship events and meetings
- Operating a friendship club for the over 50s, including meetings, visits and meals
- Working with other local churches through Tamworth Christian Churches (TCC) to provide cultural and community activities
- Provision of house groups throughout the local area and beyond to teach about our faith, and for prayer and fellowship

- Periodic marriage courses
- Schools' work
- XLM (mentoring of children and young adults)
- Thursday Lunch.

#### **Pastoral and Missionary Work (UK and Overseas)**

- Visiting the sick
- Prison ministries
- Hospital visiting
- Working with other charities and groups to alleviate global poverty.

#### **Contributing to Mental and Physical Health and Well-being**

- Holding exercise classes in the building.

#### **Provision of a Building for Use, Hire or Letting**

- The building is used as a major training venue for teachers, social services and health service staff
- The building is a major concert venue for school orchestras from all over the region and for choirs, musical and drama groups
- The building is used by support groups for parents with critically ill children and young people and adults with learning difficulties
- The building is used by Coton Green Ladies on Monday evenings
- Use of the building and car park by the local school for major public events and parents' evenings
- Promotion of musical and theatrical liturgy from time to time
- The building is used by local interest groups and community groups, bodies and organisations.

#### **Providing Information to the Public**

- Development and maintenance of the church website
- Podcasts of the weekly morning service via the church website
- Displaying information on the notice boards in the building
- Regular updates on social media platforms e.g. the church Facebook page.

#### **Review of Activities**

The statement of financial activities for the year is set out on page 9 of the financial statements. A summary of the financial results and the work of the charity is set out below.

#### **The Church**

Steve Le Page is employed as the Pastor of the Church.

The Leadership Team of Brian and Gillian Johnson, Raine and Ruth Ihalainen, Andrew Watts and David and Helen White are the volunteers who assisted Steve Le Page in pastoral matters throughout the year.

Lindsay Scott held the post of Operations Manager.

The full list of Trustees, including appointments and retirements during the year, is given on page 1.

Our main worship services take place on Sunday morning and Sunday evening at The Coton Centre. There is regular intercessory prayer, both corporate and individual, through regular house group meetings, in addition to church together meetings and prayer requests via our intercessory prayer coordinators - where specific prayerful intercession for our community and nation takes place. The public can access information and contact us via our website, podcasts and social media platforms.

The church has operated 'Alpha' courses; these provide an opportunity for non-believers to explore faith, life and God alongside people from the church. The church has also hosted a women's fellowship meeting. Our older generation benefits from a weekly shared meal at the Centre, a daytime house group and the Friendship Club.

Our pastoral and missionary work includes visiting the sick in hospital and at home, giving care and support both spiritually in prayer and practically. Members of our congregation are involved in other ministries that provide pastoral and spiritual care and support, such as the Starfish Project and prison visiting, working alongside others to spread the good news of Jesus. Currently the Church is blessed to be giving financial support to people in wider Church mission work through the Mission Board.

Tamworth Christian Churches (TCC) are continuing to work together and relationships are deepening with regular times of prayer together, alongside opportunities for inter-church activities.

The church operates a number of groups for children and youth which are held during part of the Sunday morning worship service - giving them access to age-appropriate bible teaching, fun crafts and activities that they can share and enjoy with their peers. In addition to this, the church's other areas of work with children and youth (including those who do not regularly attend church) continues to flourish:

- Our youth group meets weekly on Friday evenings for 11 to 18 year- olds.

- Coton Green Junior Group "Impact Kidz Club" meets monthly with Gary and Maggie Coleman coordinating, although has been restricted due to Covid during the year. Holiday clubs are usually held during the year and these are well attended, meaning that the Church and the Coton Centre are highly visible, and more importantly, valued by a great many local families who rely on and look forward to these events.

The XLM Tamworth Mentoring Project is firmly embedded within the wider community as an important service - helping the young mentees in the areas of school attendance, behaviour and personal relationships. A great many local schools rely on this to meet the needs of some of the most vulnerable members of the community. As a result of XLM, there has been an expansion of schools' work due to the doors being open for assemblies and lessons – a wonderful way to bring the word of God and love of Jesus to our youngest members of society. Several attendees have come along to our church youth groups via XLM.

We continue to be blessed by the many volunteers who assist in the Centre throughout the year and help us, as a church, to offer so many vital groups and services to our community.

### **The Coton Centre**

The Centre generally continues to have substantial use for church activities. Opportunities for external lettings of the Coton Centre have been limited during the year due to Covid-19. The Trustees note that there is still some work to be done, over time and when finances allow, to bring the infrastructure and facilities of the Centre fully up to date to enable the building to be utilised by the church and other users to its maximum potential.

Church activities using the Centre during the year (excluding Covid) have included:

- Exercise classes
- Friendship Club
- Regular Ladies Fellowship events
- Regular Men's Fellowship events
- Parents/Carers and Tots morning
- Prayer groups
- Youth Group on Friday evenings
- Coton Centre House group on Thursday
- Bi-annual craft fair
- Monthly children's work - Impact Kidz
- Monthly craft sessions
- Impact Holiday Clubs during certain school holidays

As well as for the church activities listed, our building is used as a major training venue for teachers, social services, and health service staff. It is also a major concert venue for school orchestras from all over the region, and for choirs, and musical and drama groups. We continue a regular weekly booking for S.P.I.N. Tamworth (a Charity for Special People in Need), which can hold its weekly event in a user-friendly, suitable venue. Our car park is used by the adjacent local school for major public events and parents' evenings, and by the local Round Table. We are very blessed indeed.

### **Coton Green Church Pre-School**

Pre-school numbers have continued to remain strong and the solid reputation of our organisation is enhanced by word-of-mouth recommendations. The Ofsted 'Outstanding' rating is testament to the hard work and dedication of the Pre-school staff. We see Pre-school as an important part of the ministry of the church.

### **Financial Review of the Church**

We note the decrease in unrestricted incoming resources from £325,431 (out of a total of £335,231) in 2019 to £260,716 (out of a total of £267,366). Largely impacted by Covid-19 for a number of reasons during the year, donations have decreased by approximately 27% from the previous year and this has contributed significantly to the reduction in unrestricted income noted. Additionally, income from charitable activities decreased by over 15%. Due to Covid-19 and the lower level of incoming resources, expenditure was extremely tightly managed (with a hold on all non-essential spending for much of the year) and so unrestricted expenditure has decreased from £296,911 (out of a total of £306,736) in 2019 to £262,839 (out of a total of £269,289). A full breakdown of prior year income and expenditure between restricted and unrestricted funds can be found in note 8 of the accounts. The resulting deficit of £2,123 and the surplus of £200 on restricted funds has resulted in a minor decrease in the total funds of the charity to £1,598,087 (2019: £1,600,010) always assuming that the property is valued at cost.

The Trustees are ever grateful for all funds received and thank all those who have freely contributed to the funds of the church. There have been times when there has been a shortage of funds but the Lord and His people have always intervened.

Trustees would ask those who are considering making a gift for a specific purpose to consider instead giving without restriction as to the use of these gifts. In this way funds can then be channelled to where they are needed most.

### **The Coton Centre**

The unrestricted income for the year 2020 was £132,624 compared to £148,247. Unrestricted income from Pre-school increased from £122,138 to £125,847. However, external hiring of rooms decreased from £26,109 to £6,777, which was largely a result of many months of strict lockdown of The Coton Centre in accordance with the guidance on Covid-19 issued by the Government. The unrestricted expenditure has decreased from £148,197 to £140,789. Included in these figures are the costs of running church activities at the Centre. 'Church' and 'Centre' are separated for management and accounting purposes, but in financial terms the church benefits from heated and maintained premises and the Centre benefits from the building capital supplied by the Church. The net (cost) / benefit of occupying the Coton Centre to the church in 2020 was £(8,165) or £(157) per week (2019: £50 or £0.96p per week, respectively).

We remain confident of the underlying financial health of the charity and its effective use of resources for the Kingdom of God. Furthermore, since the year-end the Coton Centre has been used as a Covid-19 vaccination centre for the local Primary Care Network (PCN) which has bolstered our 2021 lettings income considerably.

### **Investment in Subsidiary Undertakings**

The Church owned beneficially the whole of the issued share capital of Coton Green Construction Ltd (Company No.02430182) a company incorporated in England & Wales. During the year, the £2 cost of the investment in 100% of the shares in this company was written off in full. The company, which had been dormant for many years, was dissolved on 11th February 2020. Further details are set out in Note 10 of the accounts presented herewith.

### **Reserves Policy**

The level of reserves is reviewed each year to ensure that current assets exceed all liabilities. We have maintained a minimum of £15k buffer within the cash flow over the year, ensuring that there was no need to rely on the agreed banking overdraft. We seek continued improvement in this area, and we aim to build and maintain a level of free reserves over the coming years, which will equate to a minimum of 3 months of operational costs.

### **Risk Management**

The Trustees understand the risks to the Charity and these are reviewed as part of their monthly meetings through evolved Governance and the use of key performance indicators (KPI). Trustees strive to ensure that the Charity is not exposed to significant external risk but where risks have been identified they are reviewed and followed up accordingly. Internal risks are minimised by putting in place agreed policies and by implementation of procedures.

### **Health and Safety**

The Trustees are aware that many of the Church's activities have Health and Safety implications. They are satisfied that the Health and Safety policies are robust and meet our present needs but maintain a constant review of circumstances. They give glory to God for answered prayer and His continued protection and graciousness. Standard operating procedures remain as follows:

- All events are fully supervised 100% of the time on an activity level rather than event level basis. Responsibility is with the event organiser.
- Supervisors for events are decided in advance and due regard is given to the ages of supervisors, ages of attendees, and risks involved.
- Risk assessments are produced for events where necessary.
- Extraordinary event risk assessments are signed off by two Trustees.

### **Performance against 2020 Plan**

Our agreed plan for 2020 included the following objectives:

1. To continue to monitor closely the finances of the church and look at building up the financial reserves of the Church and Centre. This will be required as part of the intended migration to a CIO.
2. To complete the process of incorporation (CIO).
3. Investigate and actively look at all funding options open to the Charity.
4. Investigate and look at ways of implementing initiatives, which will require investment, to allow increased revenue income, e.g. improvements to improve lettings.
5. To continue to pay 5% of offerings to Mission Fund.
6. To review discretionary pay awards to Staff, subject to available finance.
7. To continue to support schools' work (XLM) as funds allow, working towards fully self-funding through 2020.

Trustees note that items 1,3,5,6 and 7 were completed for the year and should remain a consideration for future years. Whilst some good progress has been made on items 2 and 4, there is still more work to be done. The decision to rigorously control expenditure due to Covid uncertainty naturally stopped activity on item 4.

### **Future Plans**

The Lord has protected us over the years and our primary trust is still in Him, but we must still act responsibly with all the resources He gives us, and this is the basis on which we have agreed our plan for 2021. Underpinning all our plans is the desire to seek His will in all things and to work as one with the Pastor and Leadership Team in preparing His Church for His purpose.

The Trustees recognise that the Church and its members are not immune from the financial difficulties facing our nation and the world at the present time. The Trustees, with the assistance of the Operations Manager, continue to estimate anticipated income and expenditure for the coming year. As a result of this the Trustees have approved the following course of action:

1. To continue to monitor closely the finances of the church and look at building up the financial reserves of the Church and Centre. This will be required as part of the intended migration to a CIO.
2. To complete the process of incorporation (CIO).
3. Investigate and actively look at all funding options open to the Charity.
4. Investigate and look at ways of implementing initiatives, which will require investment, to allow increased revenue income, e.g. improvements to improve lettings.
5. To continue to pay 5% of offerings to Mission Fund.
6. To review discretionary pay awards to Staff, subject to available finance.
7. To continue to support schools' work (XLM) as funds allow, working towards fully self-funding through 2021.

### **Covid-19 Impact**

As 2020 dawned it became apparent to the world that we were facing a global pandemic due to the Covid-19 virus. Trustees' first concerns were for the safety of employees, volunteers and service users. In line with the rest of the United Kingdom, the Coton Centre was formally closed to general access from 23rd March 2020.

Throughout quarter 2 of 2020, the Charity, along with many similar organisations, held no face-to-face public meetings, and some of the staff were furloughed or went on extended leave. During this time there were many innovative activities taking place to ensure that some services could be safely delivered using the internet and social media. This undoubtedly had a negative impact on fellowship opportunities and organisational finances. It did, however, enable the Church to reach parts of the community not previously reached and this has had some mitigating effects.

The Operations Manager did extensive research into the options for safe re-opening of premises in general, as did the Pre-school Manager and team for the Coton Green Church Pre-school. Thorough risk assessments and rigorous procedures were put in place, with the Pre-school opening again in June 2020 and the Church/Centre having limited opening to the public since July 2020. The opening of the Church, Centre and Pre-school has been constantly subject to Government Guidelines, whilst adhering to general lockdown closure periods when instructed by the Government. The Staff Team are to be congratulated on this achievement and for the confidence it has given our service users. Trustees thank them all sincerely.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Status**

The Church is regulated by a Trust Deed dated 26 August 1982 (last amended on 27 January 2008) and registered with the Charity Commission under charity number 513110.

### **Appointment of Trustees**

The Trustees are appointed from within the membership of the Church by the existing Trustees and Leadership Team, and endorsed by the Deacons, for a period of three years, which is renewable. The Trustees are aware of their responsibility to ensure that the mix of Trustees appropriately meets the needs of the Church, and continue to identify, with the Leadership Team, potential Trustees from within the membership.

All Trustees are aware of their legal and financial responsibilities and receive regular briefings and access to training. New Trustees are given appropriate information on appointment. Trustees bring with them significant experience of a wide range of business skills.

All Trustees give their time voluntarily and receive no benefits from the Church. Any expenses reclaimed from the Church are set out in note 7 to the financial statements.

### **Trustees' Responsibilities**

The Charities Act 2011 requires the Trustees of the Charity to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing the financial statements the Trustees should follow best practice and:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will continue in operation.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for prevention and detection of fraud and other irregularities.

**Acknowledgement**

The Trustees extend their warmest thanks to all staff and volunteers for their excellent work during the year. We thank all those who faithfully serve the Lord through the Church in all its ministry. The Church releases God's people into mission to our local community and to the nations of the world, through prayer and service. Above all we thank our God, Father of the Lord Jesus Christ, for His faithfulness to those whom He has called.

The financial statements were approved by the Board of Trustees on .....11 October 2021..... and were signed on

J. Knew (Chairman of Trustees)

  
.....

L. Thompson (Secretary)

  
.....

**Independent Examiner's Report to the Trustees of  
The Coton Green Evangelical Free Church Trust Fund**

**Independent examiner's report to the trustees of Coton Green Evangelical Free Church**

I report to the charity trustees on my examination of the accounts of the Coton Green Evangelical Free Church (the Trust) for the year ended 31 December 2020.

**Responsibilities and basis of report**

As the charity trustees of the Trust 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 Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of the 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.



Graham Cook FCA FCMA  
Godfrey Mansell & Co  
Hales Court  
Stourbridge Road  
Halesowen  
West Midlands  
B63 3TT

Date: 20 October 2021

**The Coton Green Evangelical Free Church Trust Fund**  
**Statement of Financial Activities**  
**for the Year Ended 31 December 2020**

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	126,309	3,800	130,109	171,626
<b>Charitable activities</b>					
Charitable activities	3	133,923	2,850	136,773	161,471
Other income		484	-	484	2,134
<b>Total</b>		260,716	6,650	267,366	335,231
<b>EXPENDITURE ON Charitable activities</b>					
	5	262,839	6,450	269,289	306,736
<b>Total</b>		262,839	6,450	269,289	306,736
<b>NET (DEFICIT) / INCOME</b>		(2,123)	200	(1,923)	28,495
<b>TRANSFER OF FUNDS</b>		305	(305)	-	-
<b>Total funds brought forward</b>		1,541,055	58,955	1,600,010	1,571,515
<b>TOTAL FUNDS CARRIED FORWARD</b>		1,539,237	58,850	1,598,087	1,600,010

The notes form part of these financial statements

**The Coton Green Evangelical Free Church Trust Fund**  
**Balance Sheet**  
**At 31 December 2020**

	Notes	Unrestricted fund £	2020 Restricted fund £	Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	9	1,499,263	58,050	1,557,313	1,560,352
Investments	10	-	-	-	2
		<u>1,499,263</u>	<u>58,050</u>	<u>1,557,313</u>	<u>1,560,354</u>
<b>CURRENT ASSETS</b>					
Debtors	11	4,340	-	4,340	26,672
Cash at bank and in hand		45,604	800	46,404	25,519
		<u>49,944</u>	<u>800</u>	<u>50,744</u>	<u>52,191</u>
<b>CREDITORS</b>					
Amounts falling due within one year	12	(9,970)	-	(9,970)	(12,535)
<b>NET CURRENT ASSETS</b>					
		<u>39,974</u>	<u>800</u>	<u>40,774</u>	<u>39,656</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>1,539,237</u>	<u>58,850</u>	<u>1,598,087</u>	<u>1,600,010</u>
<b>NET ASSETS</b>					
		<u>1,539,237</u>	<u>58,850</u>	<u>1,598,087</u>	<u>1,600,010</u>
<b>FUNDS</b>					
Unrestricted funds	15			1,539,237	1,541,055
Restricted funds				58,850	58,955
<b>TOTAL FUNDS</b>					
				<u>1,598,087</u>	<u>1,600,010</u>

The financial statements were approved by the Board of Trustees on 11 October 2021 and were signed on its behalf by:

J. Knew (Chairman of Trustees)

J. Knew

L. Thompson (Secretary)

L. Thompson

The notes form part of these financial statements

## 1 ACCOUNTING POLICIES

### Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

### Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met and the amount can be quantified with reasonable accuracy and it is considered probable that the income will be received.

### Grants receivable

Grants receivable are credited to Statement of Financial Activities (SOFA) when the charity has entitlement, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

### Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Expenditure is categorised under the following headings: -

- Charitable activities include church and ministry related costs of the book shop and Coton Centre
- Other expenditure represents items not falling in the categories above.

### Support costs allocations

Support costs are those that assist the work of the charity but do not directly represent charitable activities. They include office costs, governance and professional services. They are included directly in support of expenditure on the objects of the charity.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

### Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is calculated to write off the cost of the tangible fixed asset over its useful economic life. The depreciation method and rate used are: -

<i>Freehold land</i>	Nil
<i>Freehold buildings</i>	Nil – The trustees consider that the residual value of the freehold building is equal to the cost stated in the financial statements
<i>Computer Equipment</i>	33.33% straight line basis
<i>All other assets</i>	25% reducing balance basis

Freehold land and buildings are subject to an annual impairment review by the trustees.

Investment in the subsidiary is stated at cost less impairment.

### Taxation

The charity is exempt from tax on its charitable activities.

### Funds accounting

Funds held by the charity are: -

<i>Unrestricted general funds</i>	These are funds which can be used in accordance with the charitable objects at the discretion of the trustees
<i>Designated funds</i>	These are funds set aside by the trustees for specific purposes
<i>Restricted funds</i>	These are funds donated or granted for a specific purpose

## 1 ACCOUNTING POLICIES continued

### Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

### Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

### Judgements and key sources of estimation uncertainty

The following judgments have been made in the process of applying the accounting policies that have had the most significant effect on amounts recognised in the Financial Statements:

#### *Residual value of the freehold property*

There are no key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year

	General £	Restricted £	2020 Total £	2019 Total £
<b>2 DONATIONS AND LEGACIES</b>				
Offerings and gifts	33,776	-	33,776	45,517
Covenanted gifts and gift aid	66,859	480	67,339	93,717
Income tax recoverable	17,805	120	17,925	25,427
Government grant - CJRS / Furlough support	7,869	-	7,869	-
XLM income and grants	-	3,200	3,200	6,965
	<u>126,309</u>	<u>3,800</u>	<u>130,109</u>	<u>171,626</u>

<b>3 CHARITABLE ACTIVITY INCOME</b>		2020 £	2019 £
<b>Activity</b>			
Bookshop	Charitable activities	176	663
The Coton Centre (see note 5)	Charitable activities	135,474	148,247
Youth activities	Charitable activities	826	3,725
Special church events	Charitable activities	297	8,836
		<u>136,773</u>	<u>161,471</u>

## 4 INDIRECT SUPPORT COSTS

	2020 £	2019 £
Finance cost	1,429	1,405
Depreciation	3,578	4,462
Legal & professional	4,070	4,402
Staff costs	-	5,160
IT / Media	5,045	5,957
Photocopier lease	2,824	2,824
Independent examination fee	1,800	1,800
Loss on disposal of fixed asset	-	380
	<u>18,746</u>	<u>26,390</u>

## 5 CHARITABLE EXPENDITURE

	General	Restricted	2020 Total	2019 Total
	£	£	£	£
Youth activities	382	-	382	3,294
Travel & motor expenses	88	-	88	757
Teaching & ministry	3,022	-	3,022	4,285
Salaries	81,649	-	81,649	77,466
Pension costs	5,855	-	5,855	5,010
Church events	1,152	-	1,152	5,678
Sundry expenditure	4,474	-	4,474	10,109
Staff Christmas gifts/benefits	-	600	600	-
Missions board	6,000	-	6,000	7,650
Other missions expenditure	493	150	643	-
XML	-	3,200	3,200	7,105
Book shop	-	-	-	65
Coton centre (see below)	140,789	2,500	143,289	148,197
Building costs	189	-	189	10,730
	244,093	6,450	250,543	280,346
Indirect support costs (see note 4)	18,746	-	18,746	26,390
	262,839	6,450	269,289	306,736

### The Coton Centre

Income	General	Restricted	2020 Total	2019 Total
	£	£	£	£
Pre-school: LEA government funding	107,122	-	107,122	95,306
Other Pre-school and playgroup income	18,725	2,850	21,575	26,832
Lettings including catering	6,777	-	6,777	26,109
	132,624	2,850	135,474	148,247
Expenditure				
Purchases of materials and resources	1,702	-	1,702	2,584
Salaries	103,687	2,000	105,687	97,903
Kitchen and catering	1,018	-	1,018	3,651
Heat and light	12,690	-	12,690	16,606
Stationery, postage and telephone	3,580	-	3,580	4,113
Insurance	3,933	-	3,933	3,882
Cleaning and maintenance	13,248	-	13,248	19,458
Sundry expenditure	-	500	500	-
Bad debts written off	931	-	931	-
	140,789	2,500	143,289	148,197
(Deficit) / Surplus	(8,165)	350	(7,815)	50

## 6 STAFF COSTS

	Total	Total
	£	£
Wages and salaries	180,527	174,722
Social security	6,809	5,807
Pension costs	5,855	5,010
	193,191	185,539

No employees have received income benefits of over £60,000

The average number of employees during the year (full-time basis):

13

13

## 7 TRUSTEES AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

The Trustees have not received nor waived any remuneration and expenses during the year (2019: Nil).

The total amount of employee benefits (salary and pension) received by key management personnel is £57,509 (2019: £54,252). The Trustees consider the key management personnel to be the Pastor, Steve Le Page and the Operations Manager, Lindsay Scott. Reimbursement of travel expenses for key management personnel totalled £Nil (2019: £239).

## 8 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Fund £	Restricted Fund £	Total Fund £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	161,826	9,800	171,626
<b>Charitable activities</b>			
Charitable activities	161,471	-	161,471
Other income	2,134	-	2,134
<b>Total</b>	<b>325,431</b>	<b>9,800</b>	<b>335,231</b>
<b>Charitable activities</b>			
Charitable activities	296,911	9,825	306,736
<b>Total</b>	<b>296,911</b>	<b>9,825</b>	<b>306,736</b>
<b>NET INCOME</b>	<b>28,520</b>	<b>(25)</b>	<b>28,495</b>
<b>TRANSFER OF FUNDS</b>	<b>406</b>	<b>(406)</b>	<b>-</b>
<b>Total funds brought forward</b>	<b>1,512,129</b>	<b>59,386</b>	<b>1,571,515</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>1,541,055</b>	<b>58,955</b>	<b>1,600,010</b>

## 9 TANGIBLE FIXED ASSETS

	Freehold property £	Plant & fixtures £	Computer equipment £	Totals £
<b>COST</b>				
At 1 January 2020	1,548,090	84,510	1,329	1,633,929
Additions	-	-	539	539
At 31 December 2020	1,548,090	84,510	1,868	1,634,468
<b>DEPRECIATION</b>				
At 1 January 2020	-	72,691	886	73,577
Charge for year	-	2,955	623	3,578
At 31 December 2020	-	75,646	1,509	77,155
<b>NET BOOK VALUE</b>				
At 31 December 2020	1,548,090	8,864	359	1,557,313
At 31 December 2019	1,548,090	11,819	443	1,560,352

## 10 FIXED ASSET INVESTMENTS

	<b>Unlisted investments £</b>
<b>COST &amp; MARKET VALUE</b>	
At 1 January 2020	2
Disposals	(2)
At 31 December 2020	<u>-</u>
<b>CAPITAL &amp; RESERVES</b>	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>2</u>

During the year, the £2 cost of the investment in 100% of the shares in Coton Green Construction Limited was written off in full. The company, which had been dormant for many years, was dissolved on 11th February 2020.

## 11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>2020 £</b>	<b>2019 £</b>
Other debtors	4,340	26,672
	<u>4,340</u>	<u>26,672</u>

## 12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>2020 £</b>	<b>2019 £</b>
Trade creditors	439	-
Taxation and social security	2,655	2,564
Other creditors	6,876	9,971
	<u>9,970</u>	<u>12,535</u>

## 13 ANALYSIS OF FUNDS

<b>Analysis of funds</b>	<b>31.12.2020 Fixed assets £</b>	<b>31.12.2020 Net current assets £</b>	<b>31.12.2020 Total £</b>
Unrestricted funds	1,499,263	39,974	1,539,237
Restricted funds	58,050	800	58,850
	<u>1,557,313</u>	<u>40,774</u>	<u>1,598,087</u>

## 14 OPERATING LEASE

At 31 December 2020 the charity had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	<b>2020 £</b>	<b>2019 £</b>
Within 1 year	1,410	3,700
In 1 - 5 years	705	5,550
	<u>2,115</u>	<u>9,250</u>

## 15 MOVEMENT IN FUNDS

	At 01.01.2020	Incoming Resources	Outgoing Resources	Transfers	At 31.12.2020
	£	£	£	£	£
<b>General Purpose Fund</b>	1,522,973	253,792	(256,268)	3,176	1,523,673
<b>Designated funds</b>					
Youth fund	4,067	826	(382)	-	4,511
Bookshop fund	2,695	176	-	(2,871)	-
Missions Board fund	4,500	5,922	(6,000)	-	4,422
Building improvements fund	6,820	-	(189)	-	6,631
<b>Total designated funds</b>	18,082	6,924	(6,571)	(2,871)	15,564
<b>Total unrestricted funds</b>	1,541,055	260,716	(262,839)	305	1,539,237
<b>Restricted funds</b>					
Christmas meal fund	450	-	-	-	450
Personal gift fund	80	600	(680)	-	-
Pre-school gift fund	-	2,850	(2,500)	-	350
XLM fund	-	3,200	(3,200)	-	-
Missions fund	70	-	(70)	-	-
Nursery play area fund	85	-	-	(21)	64
Building fund	58,270	-	-	(284)	57,986
<b>Total restricted funds</b>	58,955	6,650	(6,450)	(305)	58,850
<b>Total funds</b>	1,600,010	267,366	(269,289)	-	1,598,087

## 16 PURPOSE OF FUNDS

### General Funds

These are funds available for any purpose within the church's charitable objects at the discretion of the board of Trustees.

### Designated Funds

There are 5 designated funds as follows: -

#### Youth Fund

This is to further the objectives of the charity by the provision of leisure and training activities for children and teenagers.

#### Coton Centre Fund

This fund provides buildings, facilities and equipment for the church and the local community.

#### Bookshop Fund

This previously enabled the church and community to acquire books and musical resources to enhance their spiritual development by providing a bookshop service, however it was decided to close down the bookshop area during the year. All remaining books were given away, with some donations received, and the area converted to a useful quiet place / prayer space off the main foyer. The balance of the fund was transferred back to general funds at the end of the financial year.

#### Missions Fund

This fund arises by a weekly transfer of 5% of church tithes in addition to specific gifts that are categorised under the restricted funds heading. The fund is administered by a Missions Board and is used to support missions in the broadest sense, consistent with the objectives of the church.

As at 31 December 2020 all funds received less an amount of £4,422 had been distributed.

#### Building Improvement Fund

As a result of the need for some extensive works on the Coton Centre electrical systems during 2019, the Leadership and Trustees made an appeal to the Church for a 'heap' offering. Whilst the funds were collected for use on any purposes required by the Church, we have first and foremost designated these funds for use on costs associated with the repair, replacement and bringing up to current standards [taking account of energy efficiency] the lighting and heating systems of the Coton Centre.

#### Restricted funds

These are gifts and grants received with a specific purpose and expenditure is thus restricted in line with the stated purpose of the donor or grantor. Depreciation of fixed assets purchased from these funds is charged thereto in the accounts.

**17 RELATED PARTY DISCLOSURES**

Information in respect of Related Party Transactions and outstanding balances is set out below:

Donations, without conditions, received from Trustees, key management personnel and other related parties totalled £18,381 (2019: £24,782) inclusive of gift aid tax recoverable.

**Detailed Statement of Financial Activities  
for the Year Ended 31 December 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Offerings and gifts	33,776	45,517
Covenanted gifts and gift aid	67,339	93,717
Income tax recoverable	17,925	25,427
Government grant - CJRS / Furlough support	7,869	-
XLM Income	3,200	6,965
	<hr/>	<hr/>
	130,109	171,626
<b>Charitable activities</b>		
Bookshop	176	663
The Coton Centre	135,474	148,247
Youth activities	826	3,725
Special church events	297	8,836
	<hr/>	<hr/>
	136,773	161,471
<b>Other income</b>		
Other income	484	2,134
	<hr/>	<hr/>
<b>Total incoming resources</b>	267,366	335,231
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	180,527	174,722
Social security	6,809	5,807
Pensions	5,855	5,010
Insurance	3,933	3,882
Light and heat	12,690	16,606
Stationery, postage and telephone	3,580	4,113
Sundries	2,395	5,847
Church events expenditure	1,152	5,678
Missions board and other missions donations	6,643	7,650
Other Pre-school and nursery costs	1,702	2,584
IT and Media	5,045	5,957
Kitchen and catering	1,018	3,651
Legal and professional fees	4,070	4,402
Cleaning and maintenance	13,248	19,458
Motor and travel expenses	88	757
Subscriptions	2,579	4,262
Teaching and ministry	3,022	4,285
Bookshop purchases	-	65
Bank charges	1,429	1,405
Accountancy fees	1,800	1,800
Youth activities	382	3,294
XLM Costs	3,200	7,105
Building costs	189	10,730
Photocopier lease	2,824	2,824
Bad debts written off	931	-
Depreciation of tangible fixed assets	3,578	4,462
Loss on sale of tangible fixed assets	-	380
	<hr/>	<hr/>
<b>Total resources expended</b>	268,689	306,736
	<hr/>	<hr/>
<b>Net (deficit) / income</b>	(1,323)	28,495