

LEAD PASTOR'S REPORT

This past church year (August 2021 - July 2022) has been a time of transition for us. For most of the last 12 months we have been slowly but surely exiting the long, deep valley of COVID19.

Lockdowns were eased, restrictions were gradually lifted, and little by little life began returning to a new "normal" and our church family began to transition fully back to live gatherings. While some decided to move on to other churches, we are also grateful for those who have made HFM their new spiritual home.

A lot has changed, but all the important things remain the same: God is still good, the Word of God still remains, the Gospel still saves, and the Spirit still shapes and transforms lives. And in and through it all, our mission remains the same: 'To help people find and follow Jesus' for the glory of God! This mission statement is a constant reminder to us that we don't just want to be a church that focuses inward but a church that is a constant presence in our community.

Through all that has changed, we cannot and must not go back to the church as we knew it before lockdown. For some time now the Lord has simply been saying to me, "Be the church outside of the church!" During COVID we learned to adapt to being church outside our walls. Maybe that's been a significant part of our problem; we had walls that we could safely hide behind! So we must do everything we can over the coming months to creatively bring the Good News of Jesus to the many precious people around us who are without Him and without hope.

Over the past year, my health has been up and down, but I thank God that he has given me the strength to keep going. Despite my health, I was still able to preach over 35 times and made over 230 pastoral home, care home, and hospital visits, as well as numerous emails, phone calls, letters, and references. I have helped lead an Alpha Course, led over 20 Leadership Team Meetings, and recently started to lead a Discipleship Group.

Alongside Sandra and Ian, I have also helped lead a Growing Leaders Course for our younger people, which was a great joy. If we want to be a church that functions for this generation, as well as the next generation, it is so important that we encourage, equip, and release our younger people to serve at different levels of church life.

Outside of local church life, I have taken 7 school assemblies, and continued to serve in the FM Conference on the Ministerial, Education, and Guidance Board (MEG), the Restructuring of Conference Task Group, and as a Conference Peace Advocate, which involves helping to bring reconciliation where there is conflict.

I've also led a Listening Service Team under the umbrella of the Bay Medical Group which has supported many people in our community especially over recent times. As we have come out of the pandemic, there has been a mental health crisis of epic proportions. Trauma leaves a mark—some are evident now and some will emerge in the years ahead. Not only will we need God's healing; we will need to be God's healers.

Some of the highlights this year have been seeing 9 people saved (We hope to have a Baptism Service very soon!), 10 people coming into membership, and as a mother church, seeing Heart Church launch in Morecambe. It was also great to be able to take the Christmas nativity trailer around our community again and to see so many come out of their homes to join us. In the midst of all our church ministry, I am constantly reminded that at the foundation of all that we do as a church, before we attempt any human effort, we need to start at the place of prayer, as we declare our total dependence upon God.

Over the past year, we have also said farewell to some dear brothers and sisters who are now at home with the Lord and who we miss greatly. Brian Jensen was taken so suddenly from us in August, Tom and Lil Parker went home to glory last November,

and Pauline Elder went to be with her Lord in January. "Well done, thou good and faithful servants!"

I want to say thank you for the way you have honoured God at HFM in your serving and in your giving and for your continued faithfulness. Financially, it has been and continues to be a challenging time for us, but your faithful and generous giving enables the ministry here to keep going and for us to support ministries beyond our own four walls, such as Heart Church, our 9 mission partners, as well as giving to Ukraine.

Although there will need to be a significant increase in our church income before we are in a position to think about employing an extra member of staff, we will continue to keep this in mind as a Leadership Team as we plan for the future.

As I close, I want to say how humbled I am to be your pastor. Serving Christ here with you continues to be a great joy and privilege. I am constantly touched by your kindness to me and have grown to love you deeply over our years together. I also want to say how grateful I am for your prayers, as I face my operation. In these uncertain days, let's continue to keep our eyes on the Lord, knowing that He is able to provide all that we need, and more, to serve Him and to live for Him.

We may not know what the next year holds for us, but the Lord is building his house. And because of that, we keep serving, keep growing, keep following, keep loving. I think the Apostle Paul may have had Psalm 127 in mind when he left us this encouragement: **"Therefore, my dear brothers and sisters, stand firm. Let nothing move you. Always give yourselves fully to the work of the Lord, because you know that your labour in the Lord is not in vain."**

God be with you and bless you always!

Pastor Mark

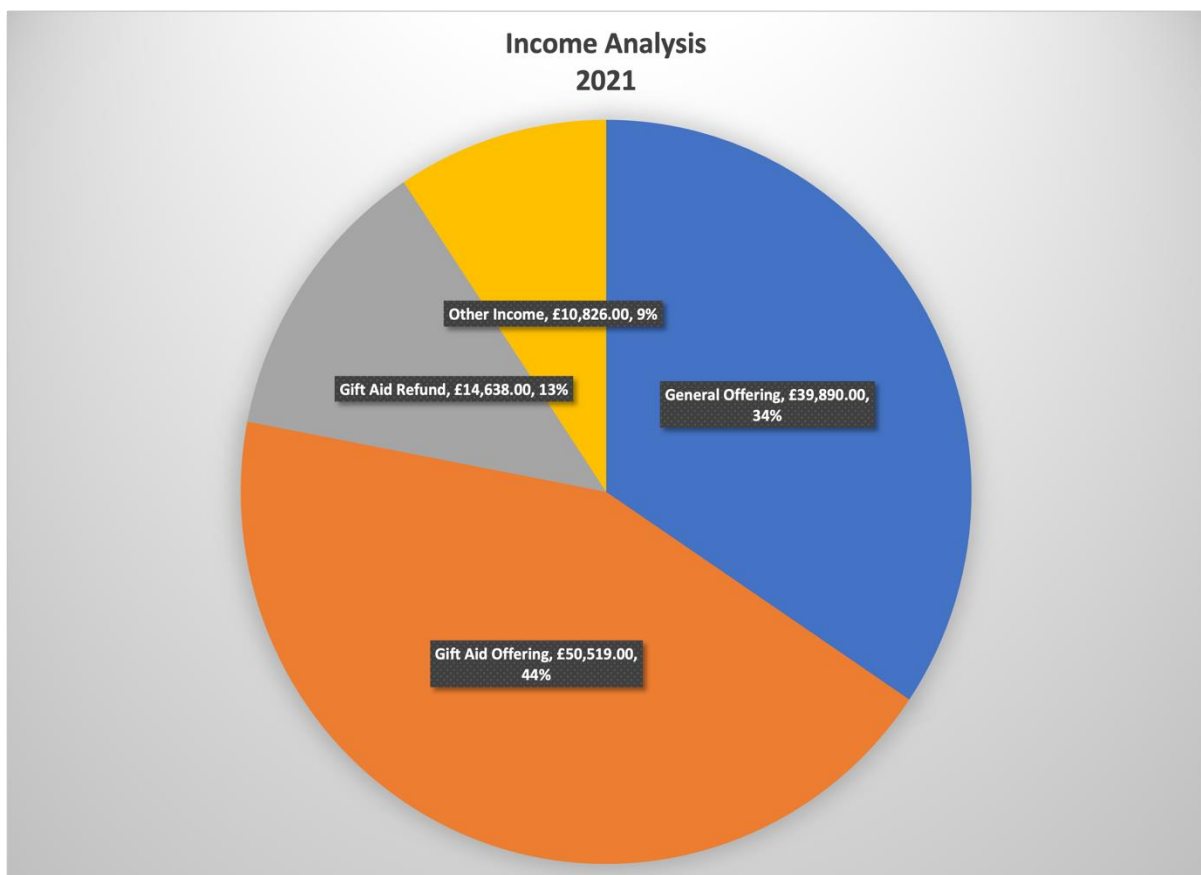
Treasurer's Report on Accounts 1st January 2021 to 31st December 2021

2021 has been another difficult year due to the ongoing pandemic, as physical gatherings were prohibited for part of the year, thus affecting our finances. As the year progressed morning services recommenced, although numbers fluctuated as many people didn't feel confident to return due to health issues and the risk of contracting Covid. Although many people continued giving online the monthly offering decreased considerably. As in 2020 the expenditure was lower due to no activities therefore, we managed to sustain our income/expenditure throughout the year.

Income:

Offerings for the year increased slightly to £105,047.00 which equates to £2,020.00 per week. The General offering was higher than last year at £39,890.00. However, the Gift Aid portion of the offering was lower at £50,519.00 and together with the Gift Aid refund figure of £14,638.00 amounted to £65,157.00. The other income (income given separately for specific purposes) was £10,826.00 which amounted to an overall total income of £115,873.00.

The graph below shows a breakdown of the church income:

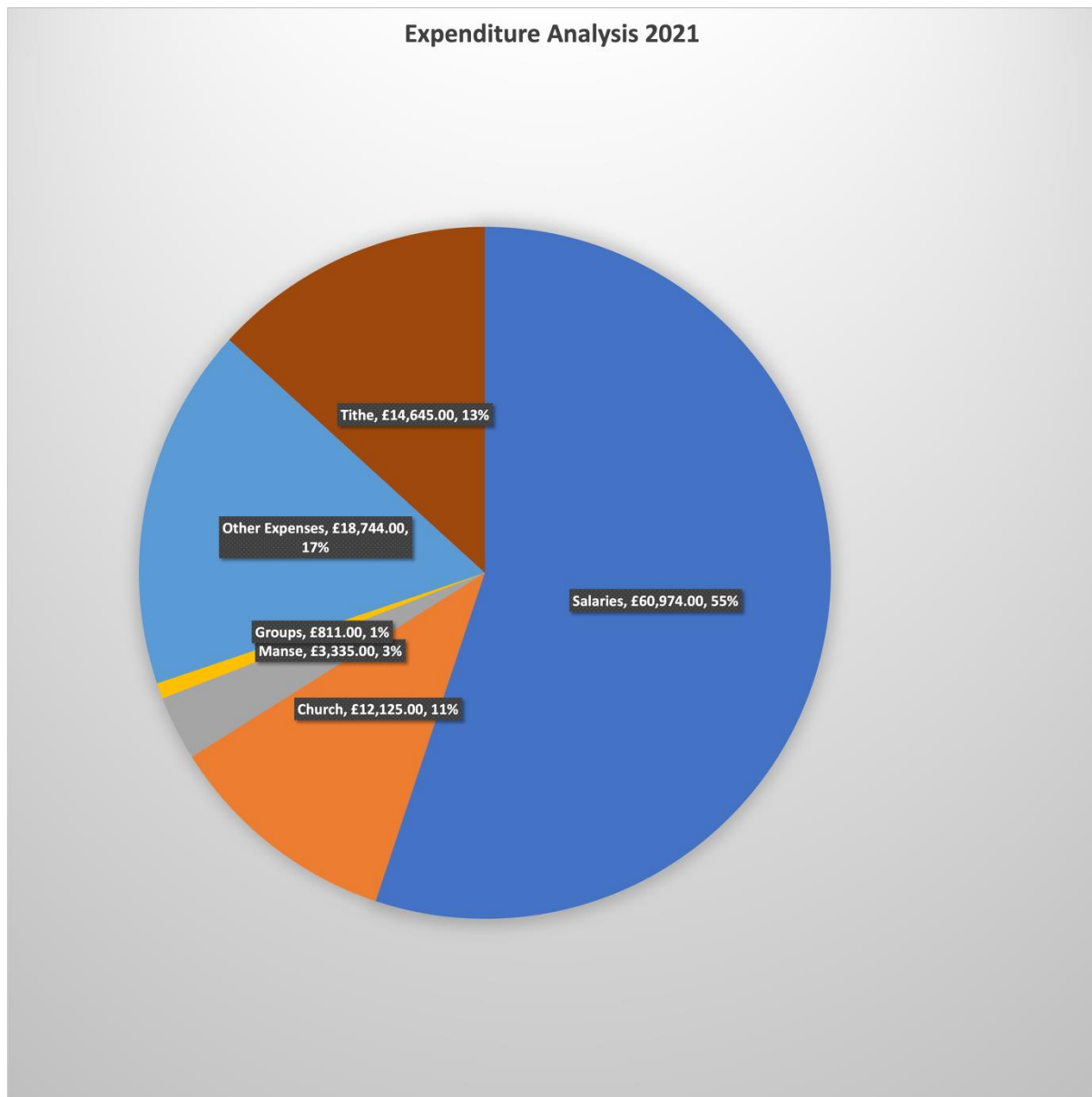


Expenditure:

The budgeted expenditure for the year was £110,634.00 which equates to £2,128.00 per week. We also had an additional expenditure of Restricted Funds (money given separately for specific purposes) of £10,661.00 giving us an overall expenditure of £121,295.00.

The budget of £110,000.00 was based on the previous year together with an increase for inflationary costs. However, due to a decrease in the offerings the expenditure exceeded the income, resulting in a loss at the end of the year of £5,422.00 and a balance of £10,350.80.

The graph below shows a breakdown of the church expenditure:



For more details on the above Income/Expenditure, see the following pages:

Morecambe & Heysham Free Methodist Church
Income & Expenditure Account
For the year ended 31 December 2021

				2021		2020
INCOME						
General Offerings				39,890		38,235
Gift Aid Offerings				50,519		51,925
Gift Aid (Refund)				14,638		14,605
				105,047		104,765
Other Income						
Acts 2 Fund				1,666		7,487
Cap Toys				-		1,000
Transfer from Heart Church						109
Heart Church				-		3,973
Insurance Claim				-		9,600
Harvest				2,190		1,804
Church Revitalisation Trust		Note 1		1,750		-
Drum Fund				600		-
Dishwasher Fund				2,150		-
Keswick Convention (Funeral)				380		-
Loop Fund				660		-
Love Christmas				820		-
New Microphones				65		-
Videoswicther				545		-
				10,826		23,972
Total Operating Income				115,873		128,737
EXPENDITURE						
Church						
Water				130		140
Electricity				997		999
Fire/Gas Safety Testing				969		1,140
Gas				1,671		1,176
Gardening				877		307
Telephone & Broadband				691		646
Cleaning				1,980		1,344
General Maintenance				4,611		4,725
Window Cleaning				200		200
				12,125		10,678
Manse						
Rates				1,764		1,696
Telephone				706		632
Maintenance				195		718
Water				670		668
				3,335		3,714

HFMC Income and Expenditure: Page 2			Expenditure (continued)	
Pastor				
Pension		3,050		3,030
Net Salary		21,549		21,268
Assistant Pastor				
Pension		2,852		2,574
Net Salary		22,481		20,730
Total Tax and National Insurance		11,041		10,819
			60,974	58,420
Groups				
Creche		170		-
Little Fish		29		149
Finders Keepers		-		15
Sunday School		612		48
			811	212
Other Expenses				
Community/Fellowship Events		965		360
Conference		4,632		4,932
Printing & Stationery		82		180
External Mission Allocation (15%)		14,645		15,695
Assistant Pastor Travel		344		287
Assistant Pastor Study		365		127
Publicity		185		561
Copyright licences	Note 2	2,228		900
Child protection (CCPAS)		166		129
Pastoral & Contingency		467		385
Sundry Expenses		6,649		7,612
Insurance		2,660		2,585
Worship Team		-		100
			33,389	33,852
Restricted Funds				
Acts 2 Fund		2,001		6,148
Cap Toys		-		1,000
Harvest		2,190		1,804
Heart Church		1,298		4,274
Insurance Claim		-		9,600
Dishwasher Fund		2,146		-
Drum Fund		600		-
Keswick Convention		380		-
Loop Fund		660		-
Love Christmas		1,322		-
New Microphone		65		-
			10,661	22,826
Total operating expenditure			121,295	129,702
Operating deficit			- 5,422	- 965
Notes:				
1.	Church Revitalisation Trust income includes £930 which is repayable to Trinity Church.			
2.	Copyright licences includes £1,100.85 paid to CCLI covering the period ended 31 January 2023.			

Independent Examiners' Report to the Members of
Morecambe & Heysham Free Methodist Church

I report on the income and expenditure account of the charity for the year ended 31st December 2021

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

S P Slater
Taylor, Roberts on & Willett Limited
Chartered Certified Accountants
95 King Street
Lancaster
Lancashire
LA1 1RH

13 April 2022

A breakdown of the tithe allocation is outlined below for reference:

TITHE ALLOCATION 2021

c/f from 2020	£448.66
Allocation for 2021	£14,071.34
Total available in 2021	£14,520.00

Donation:		Total
Niscu		£2,004.00
Stand By Me		£2,004.00
West End Impact		£2,004.00
Lancaster & Morecambe District Debt Centre		£2,004.00
Helen Jensen		£2,004.00
Christian Concern		£1,500.00
Freedom Church		£1,500.00
Open Doors		£1,500.00
Freedom Church		£125.00
Total:		£14,645.00
Surplus	-£125.00	

Allan Barnes
Treasurer

Morecambe & Heysham Free Methodist Church - Heart Church
Income & Expenditure Account
For the year ended 31 December 2021

	2021	2020
INCOME		
General Offerings	3,318	2,528
Gift aid transferred from HFMC Church Account	1,298	2,274
Gift Aid Offerings	5,225	9,070
Gift from Frodsham Church	-	10,000
Gift from Allchurch Services	-	2,000
Gift from Crown Lane Church	-	2,000
Gift from Light & Life Church	-	500
	_____	_____
Total operating income	9,841	28,371
EXPENDITURE		
Church		
Rent	300	160
New Equipment	9,372	682
Publicity	492	519
Pastoral & Contingency	-	150
Transfer to HFMC	-	109
Sundry Expenses	1,317	504
	_____	_____
	11,481	2,124
Total operating expenditure	11,481	2,124
Operating (deficit) / surplus	- 1,641	26,247

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Morecambe & Heysham Free Methodist Church

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