

Charity Number: 514361

**GREAT ECCLESTON FREE
METHODIST CHURCH**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31ST DECEMBER 2020**

GREAT ECCLESTON FREE METHODIST CHURCH

Contents	Page
Trustees Report	3-6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to Financial Statements	10-15

GREAT ECCLESTON FREE METHODIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

Legal and administrative information

Principal Address:	Great Eccleston Free Methodist Church Hall Lane Great Eccleston Preston PR3 0XN
Governing Document:	Trust Deed sealed on 21 April 1983 as amended by scheme dated 9 March 2000, this makes all members of the Official Board (now known as the Church Leadership Team) of Great Eccleston Free Methodist Church Trustees.
Objects of the Charity:	The furtherance of the religious and other charitable work of the Free Methodist Church of North America (United Kingdom District).
Specific Investment Powers:	The Church has a single, General Fund, deposit account with Virgin Money. During the year 2020 two bank accounts were held by the Church: <i>General fund current account</i> - Santander UK plc. <i>General fund deposit account</i> - Virgin Money
Bankers:	Santander UK plc Customer Service Centre Bootle Merseyside L30 4GB Virgin Money Savings Operations Jubilee House Gosforth Newcastle upon Tyne NE3 4PL
Independent Examiner:	CWR Chartered Accountants, 20 Mannin Way Lancaster Business Park Caton Road Lancaster LA1 3SW

GREAT ECCLESTON FREE METHODIST CHURCH

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2020

Trustees and Governance

The trustees legally responsible for the control and management of the charity during 2020 were as follows: (All trustees, with the exception of Rev S Dunn and Mrs D Montgomery acted for the whole of 2020).

Rev. Stephen Dunn	(Chairman) (Appointed 1 st June 2021)
Mr. David A Gibbons	(Resigned 8 th September 2021)
Mr. Brian Gibbons	
Miss Alison Groves	(Secretary)
Mrs Muriel Horrocks	
Mrs Christine E Kelsall	(Treasurer)
Mr. Edward T Montgomery	(Senior Steward. Local Ministerial Candidate)
Mr. Robert Tomkins	
Mrs Donna Montgomery	(Appointed 8 th September 2021)

Trustee selection method: Trustees are nominated by Members of the Society of the Great Eccleston Free Methodist Church. Those nominated are then confirmed or selected by secret ballot of Society Members at an Annual Society Meeting (ASM). Due to the Covid 19 pandemic lockdown it was not possible to safely hold our 2020 ASM in person and the Trustees considered that holding a 2020 ASM via internet platforms would prevent too many members from being involved. In these circumstances the Trustees recommended that the next ASM was delayed until lockdown restrictions were eased, which led to there being no ASM held in 2020, and all Trustees remaining in position for a further year. All Society members have been written to, and comments invited, regarding this recommendation and 2019 account information. No concerns or objections were raised.

Charity's Custodian Trustees: Assets are held by the Trustees of the Church (the Trustees listed above.)

Activities and Achievements

The Great Eccleston Free Methodist Church is part of a worldwide network of "Free Methodist" churches and one of a number of Free Methodist Churches in the United Kingdom Conference. Each Church is an individual charity with its own Charity Document while the Spiritual ethos is laid down in the Free Methodist Book of Discipline.

The vision statement of Great Eccleston Free Methodist Church is 'To be a People Transformed by God's Love - Taking His Life Changing Presence into our Communities.' Our purpose statement 'To Love God and Love People'.

We seek to live out our vision through

- RENEWING hearts and minds - As a church, we have a passion for people to discover God's love, and through this love to know the renewing of their hearts and minds, and so experience God's transforming power in their lives.
 - We provide various opportunities for people to meet together in worship, prayer and in fellowship where preaching and teaching can be received in a welcoming environment.
(During the Covid 19 Pandemic this has often been via internet platforms and conference calls.)

GREAT ECCLESTON FREE METHODIST CHURCH

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2020

- RESTORING hope - As a church, we desire to be rooted in the love of God and demonstrate this love to restore hope to lives where hope has been lost, and this in turn has the potential to bring restoration to our relationships and to whole communities.
 - We offer a number of ministries for most ages groups where friendships can be formed and supported
- REBUILDING lives - As a church, we believe that we were made to be in loving relationship, firstly with God, but also then with one another. We believe that Jesus came to bring healing from past wounds and to rebuild healthy relationships into our lives.
 - We seek to be a community where people feel they belong and are safe.

At the start of 2020 our Church activities included Sunday morning services, during the second part of which children could attend Sunday School and there was also provision of crèche facilities. Following the on-set of the covid-19 pandemic all normal face-to-face in person activities were suspended, with access to Sunday morning services by on-line video (or DVD) and our weekly prayer meeting continued by conference phone call. The Church was re-opened for personal prayer when this was allowed and socially distanced Sunday Morning services were held using a pre-booking system when this became possible within the Covid -19 government guidelines. A series of Bible Studies were recorded and made available on YouTube.

Pre-Covid 19 restrictions we also had the following regular events:

- Midweek prayer meetings, a ladies prayer-cell
- Tiddlers (parent and toddlers group).
- Kidz Club (school years 1 to 6)
- Youth Club (school years 7+)
- A Youth Cell group for friendship, discussion and encouragement.
- A Saturday Christian football league team made up of young men from the church and local communities.
- Community Coffee and Chat afternoon (Wednesdays in the Village Centre Lounge)
- Various opportunities for ladies groups and mens groups to meet with social, teaching and training events.

For 2020 we had made plans to hold our regular events across the community for the general public benefit:

- Hosting a tent at the Great Eccleston Agricultural Show in July providing a rest stop, Bible stories, children's craft activities and displays of church activities.
- In August a SportsReach Soccer and Netball School for boys and girls aged 7 to 14. At the SportsReach event Children attend from a number of local schools and receive coaching in their chosen sport, take part in competitions, and join together for assemblies made up of music, fun activities and Bible stories.
- A Family Fun Day in September which provides free fun activities, sports and refreshments for the local communities.

Unfortunately, all these events had to be cancelled for 2020 due to the Covid-19 pandemic.

Towards the end of 2020 the leadership of our Christian football league team requested that they became independent of Great Eccleston Church. After consideration the Trustees agreed to this request with effect from 31st December 2020. Some restricted Football Team funds are still held while there are known outstanding Creditors relating to Football team expenditure who have not yet provided invoices.

GREAT ECCLESTON FREE METHODIST CHURCH

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2020

Pre-covid 19 our Church supported the local community by providing free use of the Church facilities for a weekly senior's luncheon club. We also sought to care for the local bereaved, sick and those going through difficult times by our flower, card, and visitation ministries. As the pandemic led to the first National lock-down, cards and gift bags were delivered throughout the village, also the offer of help, for example with shopping, collecting prescriptions and other small tasks for those who were isolated.

Also, at Christmastime, each home within the local community received a Christmas card with a word of encouragement due to the ongoing isolation and loneliness people were facing due to the pandemic.

In June 2020 Eddie Montgomery was appointed to serve, alongside Pete Goulding (part-time paid Church Worker - Preaching, Teaching and Non-Trustee Leadership), as a part-time paid Church Community Worker and Evangelist (a Trustee role) which greatly assisted us in maintaining our local community links during the restrictions that Covid-19 brought.

Following a written valuation and local advertisement a garage, which was no longer used by the church, was sold for a sum agreed privately via a sealed bid.

We are thankful to God for His continued provision of gifts, tithes, and offerings for the work at Great Eccleston, the support of ministries and charities in the United Kingdom and across the world.

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

The attached Financial Statements show the Church's financial position at the end of 2020 which the Trustees consider to be sound.

Policies


Reserve Policy: That the balance of the Church's General fund is to be maintained so as sufficient to provide cover for 3 months typical expenditure – with this in mind the minimum reserve is currently set at £15,000.

Investments Selection Policy: A range of Building Society and Bank accounts available to charities, and therefore, tax free for tax exempt charities, were considered by the Official Board of the Church. Those chosen were those giving the highest rate of interest.

Signature and Declaration

Declaration: I declare, in my capacity of charity trustee, that:

- the trustees have approved the report above; and
- have authorised me to sign it on their behalf.

Signature: 
Full Name: Rev Stephen Dunn
Position: Pastor and Chair of the Church Leadership Team
Date: 22 December 2021

GREAT ECCLESTON FREE METHODIST CHURCH
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF GREAT ECCLESTON FREE
METHODIST CHURCH
FOR THE YEAR ENDED 31ST DECEMBER 2020

I report on the accounts of the charity for the year ended 31st December 2020, which are set out on pages 8 to 15.

Respective responsibilities of the 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 Charities Act) and that an independent examination is needed.

It is my responsibility to

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

Basis of my independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. 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 explanations 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 statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 come across no other matter 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.


Mr Phillip Dennison ACA FCCA
For and on behalf of
CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

GREAT ECCLESTON FREE METHODIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
YEAR END 31ST DECEMBER 2020

	Note	General £	Unrestricted Funds Designated £	Restricted Funds £	Total Funds For the Year Ended 31 December 2020 £	Total Funds For the Year Ended 31 December 2019 £
Incoming Resources						
Generated Funds						
Voluntary Income:						
Tithes & Offerings (including Gift Aid)		19,654	-	-	19,654	22,399
Income Tax Recoverable (Gift Aid)	1	2,397	-	-	2,397	2,375
Donations		-	30	-	30	-
Legacies		-	-	-	-	4,000
Gifts for Specific Purposes		-	-	1,658	1,658	1,232
Investment Income:						
Bank Interest		268	-	-	268	379
Grazing Rent - Lodge Farm		-	6,701	-	6,701	6,679
Rent - Rehoboth		8,400	-	-	8,400	8,400
Rent - Great Eccleston Lodge		7,450	-	-	7,450	700
Charitable Activities						
Football Team Income		-	-	725	725	1,195
Soccer & Netball School Booking Fees		-	-	-	-	-
Other Incoming Resources						
Gift For Use of Buildings		-	-	-	-	1,003
Total Incoming Resources		38,169	6,731	2,383	47,283	48,362
Resources Expended						
Charitable Expenditure						
Charitable Activities	2	41,108	30	1,001	42,139	33,524
Governance Costs		1,758	-	-	1,758	1,680
Other	3	451	367	-	818	7,713
Total Resources Expended		43,317	397	1,001	44,715	42,917
Transfer Between Funds	15	4,473	(3,516)	(957)	-	-
Net Movements in Funds		(675)	2,818	425	2,568	5,445
Reconciliation of Funds						
Balances Brought Forward 1st January 2020		984,175	3,516	1,772	984,018	984,018
Balances Carried Forward 31st December 2020		983,500	6,334	2,197	986,586	989,463

GREAT ECCLESTON FREE METHODIST CHURCH

BALANCE SHEET
YEAR END 31ST DECEMBER 2020

	Note	2020 £	2019 £
Fixed Assets			
Land and Buildings	4	890,880	907,880
Fixtures, Fittings & Equipment	5	2,460	3,279
Motor Vehicles	5	3,827	5,102
		897,167	916,261
Current Assets			
Debtors and Prepayments	6	9,604	9,925
Cash at Bank		89,441	67,190
Cash in Hand		711	545
		99,756	77,660
Creditors: Amounts falling due within one year	7	(4,892)	(4,458)
Net Current Assets		94,864	73,202
Net Assets		992,031	989,463
Funds			
Unrestricted Funds:			
General Fund		86,333	67,914
Fixed Asset Fund		897,167	916,261
Designated Fund	15	6,334	3,516
Restricted Funds	8	2,197	1,772
Total Funds		992,031	989,463

These accounts were approved by the trustees on the 22/12/2021 and signed on their behalf by:



Rev S Dunn

The notes on pages 10 to 15 form part of these accounts

GREAT ECCLESTON FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS YEAR END 31ST DECEMBER 2020

ACCOUNTING POLICIES

Accounting basis

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared on a going concern basis under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Funds

The accounts include all transactions, assets and liabilities for which the Trustees & Church Leadership Team are responsible in law.

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

Designated Funds (unrestricted) 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, details of which are given in note 15.

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 8.

No accounts of informal gatherings of church members are included, as these are not under the direct control of the Church Leadership Team.

Incoming Resources

Tithes and Offerings are recognised when received by or on behalf of the Church. Income under gift aid is recognised only when received, and income tax recoverable is calculated on income actually received.

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.

GREAT ECCLESTON FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS
YEAR END 31ST DECEMBER 2020**

ACCOUNTING POLICIES (CONTINUED)

Freehold Land and Buildings

The church buildings have been included at their insurance valuation at 1/1/97.

Land and buildings at Lodge Farm, Hall Lane, Great Eccleston. have been included at probate valuation at 15 September 2005. Renovations and alterations to Lodge Farm are included at cost. Part of Lodge Farm is now used as the Church Manse.

Fixtures, Fittings and Equipment

Assets were valued by the Trustees at 1/1/97. Later additions are at cost, with items under £500 being written off in year of purchase.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of the asset as follows:

Land and Buildings	-	Nil
Fixtures, Fittings and Equipment	-	25% Reducing Balance
Motor Vehicles	-	25% Reducing Balance

Governance Costs

Governance costs include costs of the preparation and examination of the statutory accounts.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Funds accounting

Funds held by the charity are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds - these are funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions apply when specified by the donor or when funds are raised for particular restricted purposes. Further details of the purpose of each fund are included in the note to the financial statements.

GREAT ECCLESTON FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
YEAR END 31ST DECEMBER 2020

1. Income Tax Recoverable

Income Tax recoverable includes a debtor of £7,185 in respect of tax to be claimed on gift aid for the 2018 to 2020 financial years.

2. Charitable Activities

	Unrestricted funds		Restricted funds	Total	Total
	General	Designated		For the year ended 31 December 2020	For the year ended 31 December 2019
	£	£	£	£	£
Pastor Stipend	-	-	-	-	-
Church Worker	19,879	-	-	19,879	5,861
Manse running costs	1,128	-	-	1,128	970
Church running costs	6,716	-	-	6,716	8,316
Minibus expenses	976	-	-	976	1,673
Visiting preachers expenses	45	-	-	45	1,355
Outreach and Evangelism	-	-	740	740	1,090
Giving and donations	5,726	-	200	5,926	8,520
Childrens and youth work	864	-	61	925	1,723
Depreciation of fixed assets	2,094	-	-	2,094	2,194
Conference levy	2,281	30	-	2,311	1,690
Printing and stationery	221	-	-	221	132
Legal fees	1,178	-	-	1,178	-
	41,108	30	1,001	42,139	33,524

3. Other Charitable Expenditure

	Unrestricted funds		Restricted funds	Total	Total
	General	Designated		For the year ended 31 December 2020	For the year ended 31 December 2019
	£	£	£	£	£
Lodge Farm Expenses	-	367	-	367	3,163
Rehoboth Expenses	451	-	-	451	4,550
	451	367	-	818	7,713

4. Freehold Land and Buildings

	2020	2019
	£	£
<u>Church Buildings</u>		
Hall Lane, Great Eccleston (At Insurance Cover Valuation 01/01/1997)	206,000	206,000
<u>Land and Buildings</u>		
Lodge Farm, Hall Lane, Great Eccleston (At Probate Value 15/09/2005)	500,000	500,000
Alterations at Cost	201,880	201,880
Disposal of Garage	(17,000)	-
	890,880	907,880

GREAT ECCLESTON FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
YEAR END 31ST DECEMBER 2020

5. Other Tangible Assets

	Fixtures, Fittings and Equipment £	Motor Vehicles £	Total £
Cost			
At 1st January 2020	15,148	7,594	22,742
Additions	-	-	-
At 31st December 2020	15,148	7,594	22,742
Depreciation			
At 1st January 2020	11,869	2,492	14,361
Charge in period	819	1,275	2,094
At 31st December 2020	12,688	3,767	16,455
Net Book Values			
At 1st January 2020	3,279	5,102	8,381
At 31st December 2020	2,460	3,827	6,287

Church fixtures, fittings and equipment were valued by the Board and Trustees at 1st January 1997. Later additions are included at cost.

6. Debtors and Prepayments

	2020 £	2019 £
Tax Refund on Gift Aid	7,185	7,076
Prepayments	2,395	2,849
Other Debtors	24	-
	9,604	9,925

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Accruals	3,994	3,980
Other Creditors	898	478
	4,892	4,458

8. Restricted Funds Movements

	1 January 2020	Income	Expenditure	Transfers	31 December 2020
Football Team	1,405	725	(740)	-	1,390
Gift for Service Recording Ministry	362	-	-	-	362
Gift for Specific Purposes	5	1,658	(261)	(957)	445
	1,772	2,383	(1,001)	(957)	2,197

The balances at 1st January 2020 and 31 December 2020 are held in the Church bank accounts, as described in the Balance Sheet.

GREAT ECCLESTON FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS YEAR END 31ST DECEMBER 2020

9. Staff Emoluments

	Church Worker	Cleaners	Total 2020
	£	£	£
Gross Salary	19,650	1,716	21,366
Employer's National Insurance	-	-	-
Pension Contributions	229	-	229
	19,879	1,716	21,595

Total remuneration for the year amounted to £21,595 (2019: £7,572)

This was payable to the church worker and cleaners, this includes Employers National Insurance, Pension contributions, Permanent Health Insurance and Sabbatical costs.

The average number of paid staff for the year was 4 (2019: 3)

No employees earned over £60,000 in the year

10. Trustees Remuneration and Expenses

One or more trustees have been paid remuneration or have received other benefits from an employment with the Charity. The trustees only receive remuneration in respect of services they provide as staff members under their contract of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

Mr E Montgomery (Senior Steward. Local Ministerial Candidate)	
Remuneration	£8,010
Employers' Pension Contributions	£67
Mrs M Horrocks (Cleaner)	
Remuneration	£858
Employers' Pension Contributions	£Nil

No other remuneration or benefits were paid during the year.

11. Analysis of Net Assets Between Funds

	Tangible Fixed Assets	Net Current Assets	Total 2020
	£	£	£
Unrestricted Funds	897,167	92,667	989,834
Restricted Funds	-	2,197	2,197
	897,167	94,864	992,031

12. Independent Examiners' Fee

Amount payable for the year was £1,758 including VAT.

13. Control

The charity is controlled by the Board of Trustees (Currently known as the Church Leadership Team)

GREAT ECCLESTON FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS YEAR END 31ST DECEMBER 2020

14. Taxation

Great Eccleston Free Methodist Church is a registered charity number 514361. All the charity's income is applied to its charitable objectives and the charity is, therefore, exempt under current legislation from most forms of taxation.

15. Designated Funds

During 2006 the Church received a legacy from the late Mrs M Porter consisting of the farm land and buildings known as Lodge Farm, Hall Lane, Great Eccleston. The legacy has been included in the accounts at probate value. In accordance with the donor's wishes, the Trustees have decided that income from Lodge Farm will be set aside to meet expenses of that property in the first instance. The expenses for 2019 include electricity and council tax costs for Eccleston Lodge which is part of Lodge Farm. Any surplus will be available for the general purposes of the Church. At a CLT meeting held in December 2012 it was agreed that any surplus from the balance of the Lodge Farm designated fund at the previous year end should be transferred into the general fund during the next financial year. The surplus for 2019 (£3,516) has been transferred in this accounting year.
