

Charity Number: 514361

**GREAT ECCLESTON FREE
METHODIST CHURCH**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31ST DECEMBER 2021**

GREAT ECCLESTON FREE METHODIST CHURCH

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GREAT ECCLESTON FREE METHODIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

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 2021 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 2021

Trustees and Governance

The trustees legally responsible for the control and management of the charity during 2021 were as follows: (All trustees, with the exception of Rev S Dunn, Mr D Gibbons and Mrs D Montgomery acted for the whole of 2021).

Rev. Stephen Dunn	(Chairman) (Appointed 1 st June 2021)
Mr. David A Gibbons	(Church Delegate and Vice Chairman until 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 until resigned 31 st December 2021)
Mr. Robert Tomkins	(Church Delegate and Vice Chairman from 8 th September 2021)
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).

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.)
- 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.

GREAT ECCLESTON FREE METHODIST CHURCH

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2021

In January 2021 with the continuing and worsening Covid-19 pandemic situation locally, our socially distanced Sunday morning services which were being held using a pre-booking system within Covid-19 government guidelines were again paused and a Sunday morning zoom service was introduced. The weekly prayer meeting continued by conference phone call. All other normal face-to-face in person activities were suspended. In March 2021, as government guidelines allowed, we reopened Church for socially distanced Sunday morning services which were also on zoom for those who preferred to join remotely. From June to August 2021, we were able to enjoy the freedom on Sunday morning services outdoors as we were blessed with dry weather, they continued to also be on zoom until late July. From September 2021 services returned indoors and during the second part of the service children could again attend Sunday School. All other Youth and Children's work also restarted in September 2021.

By the close of the year, we were holding the following regular events in addition to Sunday morning worship and Sunday School.

- Tiddlers (parent and toddler's group).
- Kidz Club (school years 1 to 6).
- Youth Club (school years 7+).
- A Youth Cell group for friendship, discussion and encouragement.
- Prayer and Praise on alternate Sunday evenings.

In previous years we have held 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, the Agricultural Show and SportsReach events did not go ahead due to the Covid-19 pandemic. The September family fun day was able to return and was enjoyed by an increased number of local residents.

Pre Covid-19 our Church supported the local community by providing free use of the Church facilities for a weekly senior's luncheon club. During 2021 the organisers of this event decided not to reopen and closed the Club permanently. We have also sought to care for the local bereaved, sick and those going through difficult times by our flower, card and visitation ministries with the offer of help, for example with shopping, collecting prescriptions and other small tasks for those who are isolated. Also, at Christmastime, each home within the local community received a Christmas invitation to welcome them to join us for our Christmas events.

During the early summer months, a dedicated team of church volunteers worked to redecorate the church buildings entrance and main sanctuary and a new carpet was installed – all of which has made a marked difference to the appearance of the church interior, to the appreciation of many.

In June 2021 Steve Dunn was appointed to serve as lead pastor, initially in a part time capacity equivalent to four days per week. Inevitably and sadly, this meant that Pete Goulding's role as part time paid Church Worker (Preaching, Teaching and Non-Trustee Leadership working the equivalent of two days a week) came to an end in May, we have greatly enjoyed and benefited from Pete's time with us.

GREAT ECCLESTON FREE METHODIST CHURCH

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2021

Throughout 2021 Eddie Montgomery continued to serve in his role as 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, his contract being extended to the end of 2021.

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 2021 which the Trustees consider to be sound.

Policies

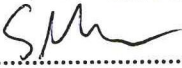
Reserve Policy: That the balance of the Church's General fund is to be maintained so as sufficient to provide cover for 3 months typical expenditure – with this in mind the minimum reserve is currently set at £15,000.

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: 28.10.2022

GREAT ECCLESTON FREE METHODIST CHURCH
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF GREAT ECCLESTON FREE
METHODIST CHURCH
FOR THE YEAR ENDED 31ST DECEMBER 2021

I report to the trustees on my examination of the accounts of the charity for the year ended 31st December 2021, which are set out on pages 8 to 15.

Responsibilities and basis of report

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

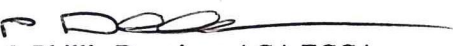
I report in respect of my examination of the Trusts accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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:

- 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 no concerns and 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

31/10/22

GREAT ECCLESTON FREE METHODIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
YEAR END 31ST DECEMBER 2021

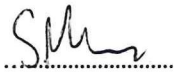
	Note	Unrestricted Funds		Restricted Funds	Total Funds For the Year Ended 31 December 2021	Total Funds For the Year Ended 31 December 2020
		General	Designated		£	£
		£	£	£	£	£
Incoming Resources						
Generated Funds						
Voluntary Income:						
Tithes & Offerings (including Gift Aid)	1	24,099	-	-	24,099	19,654
Income Tax Recoverable (Gift Aid)	1	2,882	-	-	2,882	2,397
Donations		290	100	-	390	30
Legacies		-	-	-	-	-
Gifts for Specific Purposes		-	-	652	652	1,658
Gain on disposal of Furniture		91	-	-	91	-
Investment Income:						
Bank Interest		94	-	-	94	268
Grazing Rent - Lodge Farm		-	6,761	-	6,761	6,701
Rent - Rehoboth		8,400	-	-	8,400	8,400
Rent - Great Eccleston Lodge		8,991	-	-	8,991	7,450
Charitable Activities						
Football Team Income		-	-	-	-	725
Total Incoming Resources		44,847	6,861	652	52,360	47,283
Resources Expended						
Charitable Expenditure						
Charitable Activities	2	54,028	-	2,247	56,275	42,139
Governance Costs	12	1,776	-	-	1,776	1,758
Other	3	1,998	275	-	2,273	818
Total Resources Expended		57,802	275	2,247	60,324	44,715
Transfer Between Funds	15	6,334	(6,334)	-	-	-
Net Movements in Funds		(6,621)	252	(1,595)	(7,964)	2,568
Reconciliation of Funds						
Balances Brought Forward 1st January 2021		983,500	6,334	2,197	992,031	989,463
Balances Carried Forward 31st December 2021		976,879	6,586	602	984,067	992,031

GREAT ECCLESTON FREE METHODIST CHURCH

BALANCE SHEET
YEAR END 31ST DECEMBER 2021

	Note	2021 £	2020 £
Fixed Assets			
Land and Buildings	4	890,880	890,880
Fixtures, Fittings & Equipment	5	2,641	2,460
Motor Vehicles	5	2,870	3,827
		896,391	897,167
Current Assets			
Debtors and Prepayments	6	9,394	9,604
Cash at Bank		82,306	89,441
Cash in Hand		-	711
		91,700	99,756
Creditors: Amounts falling due within one year	7	(4,024)	(4,892)
Net Current Assets		87,676	94,864
Net Assets		984,067	992,031
Funds			
Unrestricted Funds:			
General Fund		80,488	86,333
Fixed Asset Fund		896,391	897,167
Designated Fund	15	6,586	6,334
Restricted Funds	8	602	2,197
Total Funds		984,067	992,031

These accounts were approved by the trustees on the 28/10/2022 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 2021

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 2021**

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 2021

1. Income Tax Recoverable

Income Tax recoverable includes a debtor of £6,791 in respect of tax to be claimed on gift aid for the 2019 to 2021 financial years.

2. Charitable Activities

	Unrestricted funds		Restricted funds	Total For the year ended 31 December 2021	Total For the year ended 31 December 2020
	General	Designated		December 2021	December 2020
	£	£	£	£	£
Pastor Stipend	15,758	-	-	15,758	-
Church Worker	16,252	-	-	16,252	19,879
Manse running costs	625	-	-	625	1,128
Church running costs	9,849	-	783	10,632	6,716
Minibus expenses	734	-	-	734	976
Visiting preachers expenses	190	-	-	190	45
Outreach and Evangelism	974	-	1,150	2,124	740
Giving and donations	3,674	-	-	3,674	5,926
Childrens and youth work	1,406	-	314	1,720	925
Depreciation of fixed assets	1,837	-	-	1,837	2,094
Conference levy	1,840	-	-	1,840	2,311
Printing and stationery	330	-	-	330	221
Legal fees	-	-	-	-	1,178
Travel expenses and accomodation	559	-	-	559	-
	54,028	-	2,247	56,275	42,139

3. Other Charitable Expenditure

	Unrestricted funds		Restricted funds	Total For the year ended 31 December 2021	Total For the year ended 31 December 2020
	General	Designated		December 2021	December 2020
	£	£	£	£	£
Lodge Farm Expenses	-	275	-	275	367
Rehoboth Expenses	1,998	-	-	1,998	451
	1,998	275	-	2,273	818

4. Freehold Land and Buildings

	2021	2020
	£	£
<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)	(17,000)
	890,880	890,880

GREAT ECCLESTON FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
YEAR END 31ST DECEMBER 2021

5. Other Tangible Assets

	Fixtures, Fittings and Equipment £	Motor Vehicles £	Total £
Cost			
At 1st January 2021	15,148	7,594	22,742
Additions	1,061	-	1,061
At 31st December 2021	16,209	7,594	23,803
Depreciation			
At 1st January 2021	12,688	3,767	16,455
Charge in period	880	957	1,837
At 31st December 2021	13,568	4,724	18,292
Net Book Values			
At 1st January 2021	2,460	3,827	6,287
At 31st December 2021	2,641	2,870	5,511

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

	2021 £	2020 £
Tax Refund on Gift Aid	6,791	7,185
Prepayments	2,539	2,395
Other Debtors	64	24
	9,394	9,604

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Accruals	2,361	3,994
Other Creditors	1,663	898
	4,024	4,892

8. Restricted Funds Movements

	1 January 2021	Income	Expenditure	Transfers	31 December 2021
Football Team	1,390	-	(1,150)	-	240
Gift for Service Recording Ministry	362	-	-	-	362
Gift for Specific Purposes	445	652	(1,097)	-	-
	2,197	652	(2,247)	-	602

The balances at 1st January 2021 and 31 December 2021 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 2021

9. Staff Emoluments

	Pastor £	Church Worker £	Cleaners £	Total 2021 £
Gross Salary	15,554	16,190	1,917	33,661
Employer's National Insurance	-	-	-	-
Pension Contributions	204	217	-	421
Refunded Pension Contribution Received	-	(155)	-	(155)
	15,758	16,252	1,917	33,927

Total remuneration for the year amounted to £33,927 (2020: £21,595)

This was payable to the pastor, 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 (2020: 4)

No employees earned over £60,000 in the year

10. Trustees Remuneration and Expenses

The trustees of the Church include the Pastor under the terms of the Trust Scheme sealed on 21 April 1983 as amended by the scheme date 9 March 2000. The aggregate remuneration paid by the Church totalled £15,758, made up of stipend, national insurance and pension contributions. In addition, payments totalling £498 were made to the Pastor for the reimbursement of travelling expenses. Authority for these payments is included in the Trust Deed.

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	£11,340
Employers' Pension Contributions	£153
Mrs M Horrocks (Cleaner)	
Remuneration	£958
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 2021 £
Unrestricted Funds	896,391	87,074	983,465
Restricted Funds	-	602	602
	896,391	87,676	984,067

12. Independent Examiners' Fee

Amount payable for the year was £1,776 including VAT.

GREAT ECCLESTON FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS YEAR END 31ST DECEMBER 2021

13. Control

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

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 2020 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 2020 (£6,334) has been transferred in this accounting year.
