

CROWN LANE FREE METHODIST CHURCH
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Scott & Wilkinson
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

CROWN LANE FREE METHODIST CHURCH

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 14

CROWN LANE FREE METHODIST CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of 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 2019).

Objectives and activities

Objectives and aims

The object of the Crown Lane Free Methodist Church is the furtherance of the religious and other charitable work of the Free Methodist Church of North America.

Significant activities

The church was established for Christian worship, prayer, Bible teaching and the preaching of the gospel. We seek to serve the local community by providing a place of prayer and worship. The support of missionary work in various parts of the world is high on our agenda. The words of Jesus underline these objectives, "Go ye therefore and teach all nations."

2022 Covid restrictions have now been lifted, but some people in the congregation early in the year were still very cautious about returning and meeting up with others to worship the Lord.

At the end of May our Minister the Rev D Lurie felt the time had come to make a move to another church and is now pastor at a church in Bolton.

Out church activities were being affected during Covid, but things are getting a lot better. Parent and Toddler groups are hoping to be restarted in the coming months. The monthly service in the local care home continues with many of the residents attending. The ladies work is now in full swing again with meetings every month. Youth work and the children's club have now restarted and numbers are increasing. We pray that the numbers will increase in these activities in the coming months.

A carol service was held in the church this year; also two services were held on Christmas day. The local school used the premises for their annual nativity; the church was packed with parent's children and friends.

We praise the Lord for His blessings day by day one being the fact that our services are now on line and many people can see and hear the word of God in their homes

The building work on the church with extensions to the toilets, office and meeting room upstairs and a new storage building for toddler group equipment and a separate part for mowing machines has now been completed.

Public benefit

All our activities are offered free of charge to ensure they are accessible to all, and we regularly promote and publicise our activities in the local community.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievement and performance

Charitable activities

Looking back over 2022 we are thankful to God for His continued provision of the gifts tithes and offerings for His work. We count it a privilege to have been able to support many missionary societies and individuals home and overseas, with gifts amounting to £35,680. We have continued to reach out into our local community with God's love and care.

CROWN LANE FREE METHODIST CHURCH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

Financial review

Investment policy and objectives

At the present time the trustees are seeking to use the money we have received from the sale of the land to help and support other Christian organizations and individuals. Also funds are being used to maintain and improve the church building and its facilities for the community in this area. Work has continued over the year with the improvements to the church building and is now completed.

A house and small field was purchased in 2018 adjacent to the church with a view to be used as a manse or rented out to church personnel, it is currently rented out to a missionary family. The field is at the moment rented out on an annual summer grazing agreement, but could be used for car park extension and games area in the future.

Reserves policy

Reserves held are usually sufficient to pay on-going expenses for at least two months. Any surplus funds are transferred to interest bearing accounts. Reserves held at the year end are £543,353 (2021- £557,955).

Structure, governance and management

Governing document

The charity was established by trust deed dated 27/03/00 (new scheme) and is registered with the Charity Commission, No 518144.

Crown Lane Free Methodist Church is one of a number of Free Methodist Churches in the United Kingdom Conference.

Recruitment and appointment of new trustees

The members of the church elect the trustees on an annual basis. The annual General meeting is held in the early part of the year.

Due to the Lock Down and Corona virus restrictions we have not met for the annual AGM, but hope to do so as soon as circumstances allow. During the year two of our trustees have resigned.

Approved by order of the board of trustees on and signed on its behalf by:

.....
Mr J A Clark - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CROWN LANE FREE METHODIST CHURCH**

Independent examiner's report to the trustees of Crown Lane Free Methodist Church

I report to the charity trustees on my examination of the accounts of Crown Lane Free Methodist Church (the Trust) for the year ended 31 December 2022.

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

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.

T M Preece F.C.C.A

Scott & Wilkinson
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

Date:

CROWN LANE FREE METHODIST CHURCH

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

		Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Income and endowments from	Notes				
Donations and legacies	2	47,836	5,047	52,883	55,788
Investment income	3	8,520	-	8,520	9,196
Total		<u>56,356</u>	<u>5,047</u>	<u>61,403</u>	<u>64,984</u>
Expenditure on Charitable activities	4				
Church activities		<u>125,927</u>	<u>5,343</u>	<u>131,270</u>	<u>91,940</u>
NET INCOME/(EXPENDITURE)		(69,571)	(296)	(69,867)	(26,956)
Reconciliation of funds					
Total funds brought forward		1,801,630	1,890	1,803,520	1,830,476
Total funds carried forward		<u><u>1,732,059</u></u>	<u><u>1,594</u></u>	<u><u>1,733,653</u></u>	<u><u>1,803,520</u></u>

The notes form part of these financial statements

CROWN LANE FREE METHODIST CHURCH

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Fixed assets					
Tangible assets	10	626,035	1,184	627,219	581,168
Investment property	11	563,900	-	563,900	563,900
		<u>1,189,935</u>	<u>1,184</u>	<u>1,191,119</u>	<u>1,145,068</u>
Current assets					
Debtors	12	6,493	-	6,493	105,077
Cash at bank		536,860	410	537,270	555,158
		<u>543,353</u>	<u>410</u>	<u>543,763</u>	<u>660,235</u>
Creditors					
Amounts falling due within one year	13	(1,229)	-	(1,229)	(1,783)
		<u>542,124</u>	<u>410</u>	<u>542,534</u>	<u>658,452</u>
Net current assets					
		<u>1,732,059</u>	<u>1,594</u>	<u>1,733,653</u>	<u>1,803,520</u>
Total assets less current liabilities					
		<u>1,732,059</u>	<u>1,594</u>	<u>1,733,653</u>	<u>1,803,520</u>
NET ASSETS					
		<u>1,732,059</u>	<u>1,594</u>	<u>1,733,653</u>	<u>1,803,520</u>
Funds					
	14			1,732,059	1,801,630
Unrestricted funds				1,594	1,890
Restricted funds					
Total funds				<u>1,733,653</u>	<u>1,803,520</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Mr J A Clark - Trustee

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 2019)', 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, as modified by the revaluation of certain assets.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 15% Reducing balance
Computer equipment	- Straight line over 4 years

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

CROWN LANE FREE METHODIST CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****1. Accounting policies - continued****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.

2. Donations and legacies

	2022	2021
	£	£
Committed giving	48,414	50,477
Gift aid	4,469	5,311
	<u>52,883</u>	<u>55,788</u>

3. Investment income

	2022	2021
	£	£
Rents received	7,200	7,200
Deposit account interest	1,320	1,996
	<u>8,520</u>	<u>9,196</u>

4. Charitable activities costs

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Church activities	<u>91,941</u>	<u>35,680</u>	<u>3,649</u>	<u>131,270</u>

5. Grants payable

	2022	2021
	£	£
Church activities	<u>35,680</u>	<u>31,138</u>

CROWN LANE FREE METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

5. Grants payable - continued

The total grants paid to institutions during the year was as follows:

	2022	2021
	£	£
Ministry to Asians	600	600
Street Pastors	-	450
Kays Farm Childrens Home	1,000	4,655
Faith Mission	1,200	2,000
Sportsreach	760	750
Sat 7	1,260	200
Sasra	1,250	-
Open Doors	-	4,000
Tanzania Farm Trust	500	4,000
Christian Institute	600	1,100
Childcare Ministries	480	480
Missionary Aviation Fellowship	-	770
Slavic Gospel	975	-
Free Methodist Missions	1,150	-
OMS One Mission	7,335	10,780
Heart Church Morecambe	5,000	-
Haiti Releif Work	-	450
Release International	-	873
Salvation Army Homeless	-	30
International Aid	170	-
Glasgow Church Plant	10,000	-
	<u>32,280</u>	<u>31,138</u>

6. Support costs

	Governance costs
	£
Church activities	<u>3,649</u>

Support costs, included in the above, are as follows:

Governance costs

	2022	2021
	Church activities	Total activities
	£	£
Accountancy fees	1,849	1,694
Legal and professional fees	1,800	-
	<u>3,649</u>	<u>1,694</u>

CROWN LANE FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

8. Staff costs

	2022	2021
	£	£
Wages and salaries	22,871	32,040
Other pension costs	2,975	2,070
	<u>25,846</u>	<u>34,110</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Charitable activities	<u>1</u>	<u>1</u>

No employees received emoluments in excess of £60,000.

9. Comparatives for the statement of financial activities

	Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments from			
Donations and legacies	52,715	3,073	55,788
Investment income	9,196	-	9,196
Total	<u>61,911</u>	<u>3,073</u>	<u>64,984</u>
Expenditure on Charitable activities			
Church activities	88,673	3,267	91,940
NET INCOME/(EXPENDITURE)	(26,762)	(194)	(26,956)
Reconciliation of funds			
Total funds brought forward	1,828,392	2,084	1,830,476
Total funds carried forward	<u>1,801,630</u>	<u>1,890</u>	<u>1,803,520</u>

CROWN LANE FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
Cost				
At 1 January 2022	564,490	65,532	-	630,022
Additions	43,702	4,914	899	49,515
At 31 December 2022	<u>608,192</u>	<u>70,446</u>	<u>899</u>	<u>679,537</u>
Depreciation				
At 1 January 2022	-	48,854	-	48,854
Charge for year	-	3,239	225	3,464
At 31 December 2022	<u>-</u>	<u>52,093</u>	<u>225</u>	<u>52,318</u>
Net book value				
At 31 December 2022	<u>608,192</u>	<u>18,353</u>	<u>674</u>	<u>627,219</u>
At 31 December 2021	<u>564,490</u>	<u>16,678</u>	<u>-</u>	<u>581,168</u>

11. Investment property

	£
Fair value	
At 1 January 2022 and 31 December 2022	<u>563,900</u>
Net book value	
At 31 December 2022	<u>563,900</u>
At 31 December 2021	<u>563,900</u>

The investment property was valued at market value by the Trustees at the 31 December 2021.

12. Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	4,303	5,077
Prepayments	2,190	-
	<u>6,493</u>	<u>5,077</u>
Amounts falling due after more than one year:		
Other debtors	<u>-</u>	<u>100,000</u>
Aggregate amounts	<u>6,493</u>	<u>105,077</u>

CROWN LANE FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	74	683
Accrued expenses	1,155	1,100
	<u>1,229</u>	<u>1,783</u>

14. Movement in funds

	At 1/1/22	Net movement in funds	Transfers between funds	At 31/12/22
	£	£	£	£
Unrestricted funds				
General fund	913,269	(66,316)	(5,813)	841,140
Unrestricted designated funds	888,361	(3,255)	5,813	890,919
	<u>1,801,630</u>	<u>(69,571)</u>	<u>-</u>	<u>1,732,059</u>
Restricted funds				
Sunday school	341	(87)	-	254
Gifts for specific purposes	1,549	(209)	-	1,340
	<u>1,890</u>	<u>(296)</u>	<u>-</u>	<u>1,594</u>
TOTAL FUNDS	<u>1,803,520</u>	<u>(69,867)</u>	<u>-</u>	<u>1,733,653</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	56,356	(122,672)	(66,316)
Unrestricted designated funds	-	(3,255)	(3,255)
	<u>56,356</u>	<u>(125,927)</u>	<u>(69,571)</u>
Restricted funds			
Sunday school	571	(658)	(87)
Gifts for specific purposes	4,476	(4,685)	(209)
	<u>5,047</u>	<u>(5,343)</u>	<u>(296)</u>
TOTAL FUNDS	<u>61,403</u>	<u>(131,270)</u>	<u>(69,867)</u>

CROWN LANE FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Movement in funds - continued

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	937,333	(24,064)	913,269
Unrestricted designated funds	891,059	(2,698)	888,361
	<u>1,828,392</u>	<u>(26,762)</u>	<u>1,801,630</u>
Restricted funds			
Sunday school	290	51	341
Gifts for specific purposes	1,794	(245)	1,549
	<u>2,084</u>	<u>(194)</u>	<u>1,890</u>
TOTAL FUNDS	<u><u>1,830,476</u></u>	<u><u>(26,956)</u></u>	<u><u>1,803,520</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	61,911	(85,975)	(24,064)
Unrestricted designated funds	-	(2,698)	(2,698)
	<u>61,911</u>	<u>(88,673)</u>	<u>(26,762)</u>
Restricted funds			
Sunday school	750	(699)	51
Gifts for specific purposes	2,323	(2,568)	(245)
	<u>3,073</u>	<u>(3,267)</u>	<u>(194)</u>
TOTAL FUNDS	<u><u>64,984</u></u>	<u><u>(91,940)</u></u>	<u><u>(26,956)</u></u>

Designated funds comprises fixed assets designated for the purpose of church activities.

CROWN LANE FREE METHODIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Related party disclosures

There were no related party transactions for the year ended 31 December 2022.