

Penwortham Free Methodist Church
Registered Charity 701133

Legal and Administrative Information
for the year ending 31 December 2023

Section A

Reference and administration details

Charity name **Penwortham Free Methodist Church**

Working name King's Church

Registered charity number 701133

Trustees: Leadership Team

Chair - Mike Giddings (Lay Delegate)

Zena Antell (Deputy Lay Delegate.)

Penny Carey

Matthew Moll

Tony Morton-Jones

Sarah Wylie

Helen Cockeram

Ian Simpson.

Angela Guan

Elder (non-trustee) Rev David Kevin Jones

Church Administrator: None.

Church Treasurer Matthew Moll

Bankers: CAF Bank Limited

25 Kings Hill

West Malling

Kent

ME19 4JQ

Solicitors: Napthens

7 Winckley Square

Preston

PR1 3JD

Independent examiner: Michael J Sullivan Financial Accountants

24 Kingsway West

Penwortham

Preston

PR1 0LA

Section B Structure, Governance & management

The controlling charity document (Charity Number 701133) was approved and established as the Scheme for the regulation of the Charity on 21st April 1983. This scheme also recognises the role of the 'Book of Discipline' of the Free Methodist Church of North America as amended from time to time (latest version dated 2019 is available to read at <https://freemethodist.org.uk/resources/>) The church is part of the GB Conference of the Free Methodist Church and is under the discipline of the Conference as described in the Book of Discipline.

The Church members (partners) elect the Official Church Board who are also the charity's trustees and as such are elected at the Annual Society (Partners) Meeting and these, together with the Church employees engaged in ministry, form the Leadership Team. One of the elected Board of Trustees serves as the Church's Lay Delegate and as such represents the Church at the Annual Free Methodist UK Conference alongside the Elder (Minister).

Section C Trustees Annual Report for the year 2023

EVENTS: At the end of February, we partnered with Capernwray College to welcome students on a work experience / student Mission week, a great encouragement to both the church and the students. This **launched our men's** breakfast, which is running successfully each month. It was also in February we welcomed Ian and Elizabeth Wylie into membership.

Over the Spring and Easter period the leadership was **considering** very carefully the spiritual direction of the church participating in a week of prayer in Holy Week, specifically to seek God about a possible Church Worker, to help us in our worship and Youth work & to consider the possibility of a building of our own.

No progress on a church building was subsequently made. After re-advertising for a church worker over the summer we had 4 applicants, who were interviewed in November / December and an appointment made for the New Year.

Almost straight after Easter we had our first church holiday since covid19, in Keswick, open to members and non-members.

June was Penwortham gala Sunday. We saw a good turnout at the Churches together tent on Saturday, and a joyful service on the Sunday with puppeteers performing and Rev Jones speaking. We also had our first Picnic and praise in the park. Hope of a second one was frustrated by the weather, but our music group took part in a Penwortham 24-hour charity performance marathon singing gospel songs. From the summer on we have seen some small but significant growth with new people attending the church.

In July and September, we had training events with Michael Harvey, encouraging our small groups and whole congregation to ask for God's guidance in connecting more meaningfully with people outside the church. The Saturday and Sunday on Church growth were very good, practical and encouraging, but sadly not well attended.

September: Picnic at the Guide hut. Dedication service for young I. W.

In October we held our first harvest festival since Covid 19 collecting food and donations in aid of the food bank.

Throughout the year we have also welcomed some of the senior leaders from our denomination, The National leader; John Townley (and his wife Becky), Andrew Gardner, Esther Scholes, Steve Dunn, Paul Wilson, all brought a word of encouragement. We continue to value the ministry of our own lay preachers

Paul Marston, Patrick Mason, and Neil Towers have led and preached. We continue to offer an online service on YouTube for those who cannot attend in person.

In December our Community Craft Service was attended by a local MP and their family.

CHURCH GROUPS: The pastoral committee meet monthly, in person or on Zoom during the year, to keep the needs of members in mind and flag up needs for pastoral care.

The King's Church Job Club met celebrated their 12th anniversary. We have run the steps to employment course and the CAP money course. The relationship with the job centre continues to be strong.

The Pre-School group has continued running on Fridays from 9.30 to 11am. The Friday evening Children's and Youth clubs have been meeting from 6 – 7.15pm, with up to 30 children and 15 youth attending.

The Trustees continued meet as a full board up to four times a year, and monthly as the Mission and Vision Team (MVT) and Church Action Team (CAT) following the governance structure agreed in 2018.

The Church Nominations Team met to review the nominations made by members for trusteeship, and to identify persons suitable for serving as trustees, in order to fill any vacancies on the board of trustees. Nominees are agreed by the current Board of Trustees and then voted upon at the Annual Members Review Meeting.

Meetings for prayer are held in small groups (Triplets) and on a Sunday evening. We also hold a monthly trustees prayer meeting meets.

Global links (our overseas support and giving arm) held several Zoom meetings with overseas partners, as well as inviting, preachers we are linked with to participate in Sunday services. 3 or 4 times a year Global links host a partners meeting, focusing on one of our overseas partners.

A large proportion of the membership is involved in the mission and ministry of the church, from visiting the sick, to helping run job club our children's men's and women's activities, or visiting asylum seekers, and participating in the Sunday service.

Section D Review of Community Benefits

- Rev Jones serves a trustee / governor at the Priory Academy. Mr Tim Young or Deputy Delegate serves as a governor on two school boards.
- Three of our people regularly help with the food bank, which is supported by the church and our re-established Harvest Festival in for the food bank
- One of our members chairs the churches together meetings.
- The CAP job club continued its 8 - 10 week "steps to employment", offering 4 full courses during the year, as well as the CAP money course.
- The ministry to asylum seekers continues with home visits and help with English and form filling.
- Our music group participated in a 24-hour performance community marathon, in aid of local charities. At Christmas our choir sang Carols at the annual street market in Kingsfold & on Liverpool Road. Members also sang carols in a residential home.
- Our young people's community groups: Youth Club, Children's Club and pre-School have grown throughout the year.

- A monthly women's craft event has grown over the year and draws people from the local community.
- A men's breakfast meets monthly at a local restaurant.

Section E Review of risk managements

As the church uses a local High School for its Sunday services, and Town Council buildings for other work, we work closely with the school property manager, and town council to ensure all aspects of safety and general security. There is a fire evacuation plan in place and Fire drills are held at the school's discretion.

We keep our risk assessments current with the school and the Town council, using the proformas they supply. We liaise with the school to ensure safe protocols for public worship. The Trustees are aware of risks and have risk assessments for public worship, and church activities in place. Insurance policies for public liability and the Manse are in place and reviewed from time to time to ensure they are fit for purpose.

Changes in the assets are also examined to ensure that the insurances are correctly set. All people working with children and vulnerable adults have DBS clearance (renewed every three years) and this is complemented by our safeguarding policy, we also provide training for our volunteer workers in safeguarding.

Budgetary control is actively pursued by preparing an annual budget and by studying the monthly financial statements prepared by the treasurer. When necessary, spending controls are introduced in addition to regular controls to keep spending within the actual income.

Section F Review of Financial Performance

King's Church Annual Financial Report for 2023

The Financial Report is usually presented at the Annual General Meeting but as this has been moved to November 2024 the Church Board Trustees requested a summary presented to the congregation to coincide with the Accounts being posted to the Charities Commission.

The Financial Report has been written by Matthew Moll on behalf of the Church Administration Team and the Board of Trustees.

Further detailed copy of the audited accounts for year ending 31 December 2023 can be requested from Matthew Moll the Church Treasurer.

2023 Statement of Financial Activities – Headline

Year	2018	2019	2020	2021	2022	2023
Income Includes designated giving/grants for youth work, job club, and restricted funds e.g. Church Holiday)	£104,195	£100,099	£69,983	£67,466	£77,864	£76,413
Expenditure	£99,776	£97,211	£66,147	£61,853	£81,515	£75,491
Balance	+£4,419	+£3,744	+£3,932	+£5,613	-£3,651	£722
Carried Forward reserves	£80,000	£83,700	£87,600	£93,213	£88,147	£88,869

After seeing a reduction in income over the COVID period, the recovery in 2022 has been followed by a slight drop off in 2023.

Expenditure has also decreased following a significant increase in 2022, this has led to a modest addition to reserves. Excluding restricted funds there was still a small surplus. (note the church aims to keep approximately £50,000 in reserves so we have a least six months to cover salaries and rentals)

Breakdown in Expenditure

Salaries Including Pensions, NI etc	Church Accommodation (Rentals, equipment)	Church Ministries	Minibus	Restricted giving i.e. Church Holiday, Job Club	Governance, audit, insurance depreciation etc	Other (inc. Manse & equipment)	Gifts and Tithes to UK & Global Charities
39.9%	12.4%	6.6%	2.5%	5.0%	7.4%	14.8%	11.4%

Notes

The Salaries covered employment of a Pastor (full time minus manse rent value)

Church Accommodation Rentals included Priory Academy for Sunday Services, Penwortham Community Centre for the Church Offices, Job Club and CAP Money and other meetings at the centre. Penwortham Priory Lane Centre for Toddlers, Kids Club and Youth Club.

The Minibus continues to see some use, mostly for Sunday mornings.

Church Ministries covers all the ministry groups in the church, examples include, Pre School, Children's Work, Messy Church, Schools and Youth Work, Alpha Course, Evangelism and Discipleship, CAP Job Club and CAP Money, Music and Media and International Students.

Summary: Thank you to the Finance Team (in 2023): Treasurer Matthew Moll, Mary Young, Tony Cockeram and Neil Towers. Thank you to everyone at King's Church who have given faithfully to the work each year. Thanks to God for His amazing provision.

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KING'S CHURCH
PENWORTHAM COMMUNITY CENTRE
KINGSFOLD DRIVE, PENWORTHAM
PR1 9EQ

ACCOUNTS FOR THE YEAR ENDED

31 DECEMBER 2023

Michael J. Sullivan

FINANCIAL ACCOUNTANTS

24 KINGSWAY WEST, PENWORTHAM, PRESTON. LANCS. PR1 0JA

Independent Examiner's Report to the Trustees of Penwortham
Free Methodist Church

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2023.

Respective responsibilities of trustees and examiner

As the charity's trustees of Penwortham Free Methodist Church 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 Penwortham Free Methodist Church 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.


Basis of independent examiner's report

Our 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 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 we do not express an audit opinion on the accounts.

Independent examiner's report

In the course of our examination, no matter has come to our attention: :

- 1) which gives us reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure that
 - a) proper accounting records are kept (in accordance with section 130 of the 2011 Act); and
 - b) accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or
- 2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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Michael J Sullivan FFA FTA FIPA
Financial Accountants
24 Kingsway West
Penwortham
Preston
PR1 0JA

13 June 2024

Penwortham Free Methodist Church
Annual Accounts
for the year ended 31 December 2023
(Registered charity number 701133)
Balance Sheet

	<i>Notes</i>	2023	2022
Fixed Assets			
Tangible Fixed Assets			
Moorhey Drive	5	180000	180000
Minibus (After Donations)		0	0
Equipment and Refurbishments (Less Grants Received)	5	184	1053
		<u>180184</u>	<u>181053</u>
Current Assets			
Debtors, Prepayments and accrued Income	7	2910	2673
Cash at Bank and in Hand		100167	98718
		<u>103077</u>	<u>101391</u>
Accruals	8	1059	964
Net Current Assets		<u>102018</u>	<u>100427</u>
Total Assets less Current Liabilities		<u>282202</u>	<u>281480</u>
 Funds			
Unrestricted			
General Funds		88,940	88216
Designated Funds			
Property	6	180000	180000
Building	9	10171	10171
Restricted Funds	10	3091	3093
Total Funds		<u>282202</u>	<u>281480</u>

Penwortham Free Methodist Church
Annual Accounts
for the year ended 31 December 2023
(Registered charity number 701133)

Statement of Financial activities

	<i>Notes</i>	Unrestricted funds	Restricted funds	Total Funds December 2023	Total Funds December 2022
Incoming Resources					
<i>Voluntary Income :</i>					
Donations & Grants		59,369		59,369	58,403
Tax Refunds		9,115		9,115	9,409
Interest		1,873		1,873	753
Office rent		1,000		1,000	1,000
 <i>Charitable Activities :</i>					
Ministry Income		1,069		1,069	780
Designated Income			3,987	3,987	7,519
Total Incoming Resources		72,426	3,987	76,413	77,864
 Resources Expended					
Charitable Activities					
Staff Costs	1	30,154		30,154	31,158
Church Personnel Expenses		2,521		2,521	1,563
Manse Costs		1,202		1,202	5,385
Church Services		5,392		5,392	6,816
Operating Expenses	2	10,492		10,492	10,077
Ministries	3	6,871		6,871	5,932
Gifts and Tithing		8,622		8,622	7,487
Designated Giving Expenditure			3,789	3,789	6,004
Depreciation (after Donations/Grants w/off)		869		869	1,092
Governance Costs	4	5,579		5,579	5,901
Total Resources Expenses		71,702	3,789	75,491	81,415
Net Incoming Resources for the year		724	-2	722	1,515
Net Resources Expended				0	-5066
Balances brought forward at 1 January 2023		268,216	13,264	281,480	285,031
 Balances carried forward at 31 December 2023		 268,940	 13,262	 282,202	 281,480

NOTES ON ACCOUNTS

1 UK staff Costs	2023	2022
Stipends, salaries & NHI (Pastor)	28,498	26,942
Admin Secretary	0	2,560
Pension Costs	1,656	1,656
	<u>30,154</u>	<u>31,158</u>
2 Operating Expenses		
Office Rent	5640	5640
Other Rent Charges	3698	3710
Advertising	341	128
Recruitment	370	331
Others	443	268
	<u>10492</u>	<u>10077</u>
3 Ministries		
Catering	375	320
Minibus	1859	1158
Evangelism	1016	840
Job Club	1424	1597
Media / Worship	910	829
Teaching	531	0
Kids Club	293	589
King's Kids	0	313
Toddlers	104	0
Friends Here	119	45
Sunday	190	104
Various	50	137
	<u>6871</u>	<u>5932</u>
4 Governance Costs		
FM Conference Payments	2955	3118
Liability Insurance	1679	1940
Independent Examiner	500	500
DBS & Miscellaneous	445	343
	<u>5579</u>	<u>5901</u>

5 Tangible Fixed Assets

Cost or Valuation	Unrestricted Equipment Minibus		Total	
	Freehold Property	/ Refurb.		
at 1 January 2023	180000	4370	7232	191602
Less written off				

Additions

at 31 December 2023	<u>180000</u>	<u>4370</u>	<u>7232</u>	
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The Property is shown at its market revaluation amount.

Accumulated depreciation and replacement provisions

Capital equipment is depreciated on a straight line basis over four years.

at 1 January 2023	-	3317	7232	10549
charge for year		869	0	869
at 31 December 2023	-	<u>4186</u>	<u>7232</u>	<u>11418</u>

Net Book Values

at 31 December 2023	<u>180000</u>	<u>184</u>	<u>0</u>	<u>180184</u>
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6 Property Valuation

The Property of 42 Moorhey Drive was re-valued in 2011 and has been shown at its valuation of £180,000

7 Debtors and Prepayments

Analysis of debtors and prepayments falling due within one year

	<u>2023</u>	<u>2022</u>
Prepayments		
Insurance paid in advance	911	845
Manse Insurance	348	334
Gift Aid due	964	730
Minibus Licence & Insurance	398	487
Other Prepayments	289	277
	<u>2910</u>	<u>2673</u>

8 Creditors and Accruals

	<u>2023</u>	<u>2022</u>
Independent Examiner's Fee	500	500
Rent	356	317
Other Creditors	203	147
	<u>1059</u>	<u>964</u>

9 Designated Building Fund

	<u>2023</u>	<u>2022</u>
Balance at 1.1.23	10171	10171
Restricted Giving in Year	0	-
	<u>10171</u>	<u>10171</u>

10 Restricted Funds

	<u>2023</u>	<u>2022</u>
Balance at 1.1.23	3093	1578
Income	4787	7519
Paid out during year	-4789	-6004
Balance at 31.12.23	<u>3091</u>	<u>3093</u>

11 Accounting Policies

These accounts have been prepared on the basis of Charities - Statement of recommended practice (SORP 2015 FRSSEE) and the Charities Act 2011

There has been no change to the accounting policies since last year.