

**Report of the Trustees and  
Unaudited Financial Statements for the Year Ended  
31 August 2016  
for  
Chester le Street Methodist Church**

JN Straughan & Co.  
Chartered Accountants  
1st Floor, Portland House  
Belmont Business Park  
Durham  
DH1 1TW

**Chester le Street Methodist Church**

**Contents of the Financial Statements  
for the Year Ended 31 August 2016**

|  | Page     |
|--|----------|
| Report of the Trustees                     | 1 to 5   |
| Independent Examiner's Report              | 6        |
| Statement of Financial Activities          | 7        |
| Balance Sheet                              | 8 to 9   |
| Cash Flow Statement                        | 10       |
| Notes to the Cash Flow Statement           | 11       |
| Notes to the Financial Statements          | 12 to 16 |
| Reconciliation of Income and Expenditure   | 17       |
| Reconciliation of Funds                    | 18 to 19 |
| Detailed Statement of Financial Activities | 20 to 21 |

## **Chester le Street Methodist Church**

### **Report of the Trustees for the Year Ended 31 August 2016**

It is my privilege as lead Minister at Chester-le-Street to present our annual report. During my first year in post here it has been good to get to know the many ways the church is seeking to live out its mission statement. I am thankful for the collegueship of Deacon Linda Watkin and for the capable and committed Jay leadership of the church which enable it to thrive even in challenging social and economic times.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

Church Mission statement - A permanent commitment by the whole Church to reach out and become more involved in the life of the community of Chester-le-Street and for the community to be supported by the wider Church family.

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

- a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;
- b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of The Methodist Church;
- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;
- d) Any purpose for the time being of any charity being a charity subsidiary or ancillary (to The Methodist Church

Worshiping God through prayer, song and other acts of worship.

The organisation and resourcing of regular public acts of worship open to members of the church and non members alike.

The teaching of Christianity through sermons, courses and small groups. The resourcing of pastoral work including visiting the sick and bereaved. Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

Provision of chaplaincy services to local schools, care homes and other institutions as appropriate and when able.

## **Chester le Street Methodist Church**

### **Report of the Trustees for the Year Ended 31 August 2016**

#### **OBJECTIVES AND ACTIVITIES**

##### **Safeguarding**

Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- the safeguarding and protection of all children, young people and adults when they are vulnerable
- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust.
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.
- In all these principles we will follow legislation, guidance and recognised good practice

The Chester-le-Street Church commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches.

The Chester-le-Street Church commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

##### **Public benefit**

We confirm the trustees have had regard to the Charity Commission's guidance on public benefit.

## **Chester le Street Methodist Church**

### **Report of the Trustees for the Year Ended 31 August 2016**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

From September to December the church ran a successful Alpha Course, introducing new people to Christian faith and encouraging existing members through teaching, worship and fellowship. Between 20-30 people attended over the 10 week course and many wanted to continue meeting and learning together after the course finished.

In November a memorial service was held to give thanks for and remember those whose funerals have been held at the church. Families who had been bereaved within the last year were invited to attend.

In Advent, the Community Advent Calendar project built links between the Church and Cornerstones groups as each explored advent and Christmas by making creative posters to be displayed each day of advent. Relationships were built up, creativity encouraged and an atmosphere of 'belonging and celebrating' led us into Christmas.

The formation of a 'Community Choir' built links between our church choir and members of our Cornerstones groups and local community. Their contribution to our Carol service was warmly received.

The 'promotion of Christianity through the staging of events' was successfully accomplished through the 'Easter Labyrinth.' This interactive telling of the events of Easter was visited by over 300 people, including children from local schools, and brought the story to life for all ages to explore. Opportunities for people to pray, think and ask questions were readily accepted.

On Easter Day we received 5 new members into the church which was a great cause for celebration.

The opportunity for teaching and equipping through sermons, small groups and personal devotion was developed between Easter and Pentecost through the study of the 'Great SO days' materials.

The 'Community Services' have been held on occasions most likely to engage with our community. For Harvest there was an act of worship which involved contributions from members of the local community, church members and those who attend groups on our premises. A large amount of food was collected and donated to the Foodbank to help those in need. At Pentecost there was again involvement from different groups, culminating in a 'balloon release' of balloons and prayers into the local community.

Ongoing involvement with Cestria, Chester-le-Street C of E and Bullion Lane Primary schools has included class visits to the church, participation in 'The Easter Labyrinth' and assemblies taken by Rev. Liz Kent and Youth Worker, Ken Williamson. Through the year these links have been strengthened and further developments are planned for the future. The Summer Holiday club this year was led by Ken Williamson and a team of young people. The Olympic Theme was warmly welcomed by the participants.

#### **FINANCIAL REVIEW**

##### **Financial position**

###### **Income trends**

Church income is primarily drawn from the Sunday collections and Gift Aid tax credit paid by the congregation and lettings income paid by external users of the building.

The lettings income particularly relates to the hire of the church halls to various groups in the community.

###### **Expenditure trends**

The major cost is in relation to the assessment paid to the Chester-le-Street Circuit. This amounts to 64.5% of our total cost. The Circuit assessment has increased by 11.5% from last year.

A significant amount of the Circuit assessment is used to pay the District assessment, stipends and related costs to Ministers.

The other expenditure includes donations to Connexional Funds, property expenditure (caretaking and cleaning costs, utilities costs, insurance and accountancy fees) and other employees expenses.

## **Chester le Street Methodist Church**

### **Report of the Trustees for the Year Ended 31 August 2016**

#### **FINANCIAL REVIEW**

##### **Reserves policy**

The Reserves Policy for the Church is to hold a minimum sum equivalent to 6 months' average expenditure. This equates to £65,000. This should be sufficient to meet any unforeseen item of major expenditure on the church building and I or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full expenses including the assessment payable to the Circuit.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

The governing document for the church is the Deed of Union (1932) and Methodist Church Act (1976)

##### **Charity constitution**

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

##### **Recruitment and appointment of new trustees**

The Trustees are appointed at the AGM of the church.

##### **Decision making**

Day to day management of the church is undertaken by the Church Leadership team along with the Minister.

##### **Induction and training of new trustees**

A range of guidance produced by Methodist Connexion to support the effective running of the church and the role of Trustees is given to the Church Trustees at various meetings and/or training sessions .

##### **Related parties**

The Church is part of the Chester-le-Street Methodist Circuit which is part of the Newcastle District and is also accountable to the Methodist Conference.

The internal organisations linked to the church are : Church Choir, Women's Fellowship, Boys' Brigade, Prayer Shawl Ministry and Parents/Toddlers.

##### **Risk management**

The major risks have been identified and recorded by the Trustees with professional advice taken as required. There is a regular annual review process undertaken and recorded.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

1137919

##### **Principal address**

Chester le Street  
Co. Durham  
DH3 3TF

**Chester le Street Methodist Church**

**Report of the Trustees  
for the Year Ended 31 August 2016**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Trustees**

R Watson  
Mrs M Smith  
Deacon L Watkin  
Mrs B Wood  
Mrs D Hume  
T W Indian  
Mrs J Auld  
Mrs D Holmes  
Mrs M L Walton  
E D Donkin  
Mrs K A Heptinstall  
Mrs C A Heslington  
Mrs K M Johnson  
Mrs J K Gribben  
S Wroe  
Mrs D J Hedley  
B J Straughan  
Mrs M Proctor  
A Hedley  
T A Smith  
Mrs M Sanderson  
R G Dobson  
W A Graham  
Miss C Mordue  
T Blacklock  
Rev I Kent  
F Johnson  
Mrs A Davidson  
R Berry  
Rev Dr E Kent  
Mrs F Raine  
D Lawson  
B Milner - resigned 1.9.16  
Mrs A Robson - resigned 1.9.16  
K Wood - resigned 1.9.16

**Independent examiner**

JN Straughan & Co.  
Chartered Accountants  
1st Floor, Portland House  
Belmont Business Park  
Durham  
DH1 1TW

Approved by order of the board of trustees on 9 January 2017 and signed on its behalf by:

T A Smith - Trustee

**Independent Examiner's Report to the Trustees of  
Chester le Street Methodist Church**

I report on the accounts for the year ended 31 August 2016 set out on pages seven to sixteen.

**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 the 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 statements below.

**Independent examiner's statement**

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

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 130 of the 2011 Act; and
- 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

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

William H Sawyer  
JN Straughan & Co.  
Chartered Accountants  
1st Floor, Portland House  
Belmont Business Park  
Durham  
DH1 1TW

9 January 2017



**Chester le Street Methodist Church**

**Statement of Financial Activities  
for the Year Ended 31 August 2016**

|                                    |       | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2016<br>Total<br>funds<br>£ | 2015<br>Total<br>funds<br>£ |
|------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
|                                    | Notes |                            |                          |                             |                             |
| <b>INCOME AND ENDOWMENTS FROM</b>  |       |                            |                          |                             |                             |
| Donations and legacies             |       | 86,800                     | 59,495                   | 146,295                     | 142,679                     |
| <b>Charitable activities</b>       |       |                            |                          |                             |                             |
| Religious Activities               |       | 11,395                     | -                        | 11,395                      | 11,917                      |
| Other trading activities           | 2     | 15,234                     | 57,397                   | 72,631                      | 85,686                      |
| Investment income                  | 3     | 1,948                      | 1,197                    | 3,145                       | 3,287                       |
|                                    |       | <hr/>                      | <hr/>                    | <hr/>                       | <hr/>                       |
| <b>Total</b>                       |       | 115,377                    | 118,089                  | 233,466                     | 243,569                     |
| <br><b>EXPENDITURE ON</b>          |       |                            |                          |                             |                             |
| <b>Raising funds</b>               |       |                            |                          |                             |                             |
| Investment management costs        | 4     | 141                        | 102                      | 243                         | -                           |
|                                    |       | <hr/>                      | <hr/>                    | <hr/>                       | <hr/>                       |
|                                    |       | 141                        | 102                      | 243                         | -                           |
| <br><b>Charitable activities</b>   |       |                            |                          |                             |                             |
| Religious Activities               | 5     | 116,954                    | 134,973                  | 251,927                     | 252,753                     |
| Other                              |       | 705                        | -                        | 705                         | 660                         |
|                                    |       | <hr/>                      | <hr/>                    | <hr/>                       | <hr/>                       |
| <b>Total</b>                       |       | 117,800                    | 135,075                  | 252,875                     | 253,413                     |
| Net gains/(losses) on investments  |       | -                          | 6,430                    | 6,430                       | (586)                       |
|                                    |       | <hr/>                      | <hr/>                    | <hr/>                       | <hr/>                       |
| <b>NET INCOME/(EXPENDITURE)</b>    |       | (2,423)                    | (10,556)                 | (12,979)                    | (10,430)                    |
| <br><b>RECONCILIATION OF FUNDS</b> |       |                            |                          |                             |                             |
| <b>Total funds brought forward</b> |       | 5,984                      | 176,270                  | 182,254                     | 192,684                     |
|                                    |       | <hr/>                      | <hr/>                    | <hr/>                       | <hr/>                       |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |       | 3,561                      | 165,714                  | 169,275                     | 182,254                     |
|                                    |       | <hr/>                      | <hr/>                    | <hr/>                       | <hr/>                       |

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

# Chester le Street Methodist Church

## Balance Sheet At 31 August 2016

|  | Notes | 2016<br>£ | 2015<br>£ |
|--|-------|-----------|-----------|
| <b>FIXED ASSETS</b>                          |       |           |           |
| Investments                                  | 9     | 83,342    | 91,915    |
| <b>CURRENT ASSETS</b>                        |       |           |           |
| Debtors                                      | 10    | 4,750     | 9,547     |
| Cash at bank and in hand                     |       | 84,681    | 83,792    |
|  |       | <hr/>     | <hr/>     |
|  |       | 89,431    | 93,339    |
| <b>CREDITORS</b>                             |       |           |           |
| Amounts falling due within one year          | 11    | (3,498)   | (3,000)   |
|  |       | <hr/>     | <hr/>     |
| <b>NET CURRENT ASSETS</b>                    |       | 85,933    | 90,339    |
|  |       | <hr/>     | <hr/>     |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 169,275   | 182,254   |
|  |       | <hr/>     | <hr/>     |
| <b>NET ASSETS</b>                            |       | 169,275   | 182,254   |
|  |       | <hr/>     | <hr/>     |
| <b>FUNDS</b>                                 | 13    |           |           |
| Unrestricted funds:                          |       |           |           |
| General fund                                 |       | (1,127)   | 1,361     |
| Organ Fund                                   |       | 3,690     | 3,592     |
| Youth Fund                                   |       | 998       | 1,031     |
|  |       | <hr/>     | <hr/>     |
|  |       | 3,561     | 5,984     |
| Restricted funds:                            |       |           |           |
| Building Fund                                |       | 6,446     | 9,752     |
| Reaching Communities                         |       | 98,851    | 89,770    |
| Benevolent Fund                              |       | 1,103     | 589       |
| Bequests held with TMCP                      |       | 54,245    | 70,351    |
| Church Organisations Funds                   |       | 5,069     | 5,808     |
|  |       | <hr/>     | <hr/>     |
|  |       | 165,714   | 176,270   |
|  |       | <hr/>     | <hr/>     |
| <b>TOTAL FUNDS</b>                           |       | 169,275   | 182,254   |
|  |       | <hr/>     | <hr/>     |

The notes form part of these financial statements

**Chester le Street Methodist Church**

**Balance Sheet - continued**  
**At 31 August 2016**

The financial statements were approved by the Board of Trustees on 9 January 2017 and were signed on its behalf by:

Rev Dr E Kent -Trustee

T A Smith -Trustee

The notes form part of these financial statements

**Chester le Street Methodist Church**

**Cash Flow Statement  
for the Year Ended 31 August 2016**

|   |   | 2016<br>£            | 2015<br>£            |
|---|---|----------------------|----------------------|
| <b>Cash flows from operating activities:</b>                              |   |                      |                      |
| Cash generated from operations  | 1 | (17,259)             | (14,789)             |
| <b>Net cash provided by (used in) operating activities</b>                |   | <u>(17,259)</u>      | <u>(14,789)</u>      |
| <b>Cash flows from investing activities:</b>                              |   |                      |                      |
| Sale of fixed asset investments   |   | 15,003               | -                    |
| Interest received   |   | 3,145                | 3,287                |
| <b>Net cash provided by (used in) investing activities</b>                |   | <u>18,148</u>        | <u>3,287</u>         |
| <b>Change in cash and cash equivalents in the reporting period</b>        |   | <u>889</u>           | <u>(11,502)</u>      |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |   | <u>83,792</u>        | <u>95,294</u>        |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |   | <u><u>84,681</u></u> | <u><u>83,792</u></u> |

The notes form part of these financial statements

**Chester le Street Methodist Church**

**Notes to the Cash Flow Statement  
for the Year Ended 31 August 2016**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

|   | 2016<br>£       | 2015<br>£       |
|---|-----------------|-----------------|
| <b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b> | (12,979)        | (10,430)        |
| <b>Adjustments for:</b>   |                 |                 |
| Losses on investments   | 377             | -               |
| Interest received   | (3,145)         | (3,287)         |
| Unrealised Gains on Investments   | (6,807)         | 866             |
| Decrease/(increase) in debtors  | 4,797           | (3,131)         |
| Increase in creditors   | 498             | 1,193           |
|   | <hr/>           | <hr/>           |
| <b>Net cash provided by (used in) operating activities</b>  | <b>(17,259)</b> | <b>(14,789)</b> |
|   | <hr/> <hr/>     | <hr/> <hr/>     |

# Chester le Street Methodist Church

## Notes to the Financial Statements for the Year Ended 31 August 2016

### 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 2015)', 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 with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

#### 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.

#### 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.

### 2. OTHER TRADING ACTIVITIES

|                    | 2016          | 2015          |
|--------------------|---------------|---------------|
|                    | £             | £             |
| Fundraising events | 1,734         | 990           |
| Rent Received      | 70,897        | 84,696        |
|                    | <u>72,631</u> | <u>85,686</u> |

### 3. INVESTMENT INCOME

|                          | 2016         | 2015         |
|--------------------------|--------------|--------------|
|                          | £            | £            |
| Deposit account interest | <u>3,145</u> | <u>3,287</u> |

**Chester le Street Methodist Church**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2016**

**4. INVESTMENT MANAGEMENT COSTS**

|                   | 2016       | 2015     |
|-------------------|------------|----------|
|                   | £          | £        |
| Investment advice | 243        | -        |
|                   | <u>243</u> | <u>-</u> |

**5. CHARITABLE ACTIVITIES COSTS**

|                      | Direct costs   | Grant funding<br>of activities<br>(See note ) | Totals         |
|----------------------|----------------|---|----------------|
|                      | £              | £   | £              |
| Religious Activities | 240,121        | 11,806  | 251,927        |
|                      | <u>240,121</u> | <u>11,806</u>                                 | <u>251,927</u> |

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2016 nor for the year ended 31 August 2015.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2016 nor for the year ended 31 August 2015.

**7. STAFF COSTS**

|                    | 2016          | 2015          |
|--------------------|---------------|---------------|
|                    | £             | £             |
| Wages and salaries | 78,069        | 78,738        |
|                    | <u>78,069</u> | <u>78,738</u> |

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

|       | 2016     | 2015     |
|-------|----------|----------|
|       | 8        | 8        |
| Staff | <u>8</u> | <u>8</u> |

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

**8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

|                                   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|-----------------------------------|----------------------------|--------------------------|---------------------|
| <b>INCOME AND ENDOWMENTS FROM</b> |                            |                          |                     |
| Donations and legacies            | 97,322                     | 45,357                   | 142,679             |
| <b>Charitable activities</b>      |                            |                          |                     |
| Religious Activities              | 11,917                     | -                        | 11,917              |
| Other trading activities          | 16,490                     | 69,196                   | 85,686              |
| Investment income                 | 2,013                      | 1,274                    | 3,287               |
|                                   | <u>127,742</u>             | <u>115,827</u>           | <u>243,569</u>      |
| <b>Total</b>                      | 127,742                    | 115,827                  | 243,569             |

**Chester le Street Methodist Church**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2016**

**8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

|  | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|--|----------------------------|--------------------------|---------------------|
| <b>EXPENDITURE ON</b>                    |                            |                          |                     |
| <b>Charitable activities</b>             |                            |                          |                     |
| Religious Activities                     | 131,626                    | 121,127                  | 252,753             |
| Other                                    | 660                        | -                        | 660                 |
| <b>Total</b>                             | 132,286                    | 121,127                  | 253,413             |
| <b>Net gains/(losses) on investments</b> | -                          | (586)                    | (586)               |
| <b>NET INCOME/(EXPENDITURE)</b>          | (4,544)                    | (5,886)                  | (10,430)            |
| <b>RECONCILIATION OF FUNDS</b>           |                            |                          |                     |
| <b>Total funds brought forward</b>       | 10,527                     | 182,157                  | 192,684             |
| <b>TOTAL FUNDS CARRIED FORWARD</b>       | 5,983                      | 176,271                  | 182,254             |

**9. FIXED ASSET INVESTMENTS**

|                       | Listed<br>investments<br>£ |
|-----------------------|----------------------------|
| <b>MARKET VALUE</b>   |                            |
| At 1 September 2015   | 91,915                     |
| Disposals             | (15,003)                   |
| Revaluations          | 6,430                      |
| At 31 August 2016     | 83,342                     |
| <b>NET BOOK VALUE</b> |                            |
| At 31 August 2016     | 83,342                     |
| At 31 August 2015     | 91,915                     |

There were no investment assets outside the UK.

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|               | 2016<br>£ | 2015<br>£ |
|---------------|-----------|-----------|
| Other debtors | 4,750     | 9,547     |



**Chester le Street Methodist Church**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2016**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                 | 2016<br>£    | 2015<br>£    |
|-----------------|--------------|--------------|
| Other creditors | 3,498        | 3,000        |
|                 | <u>3,498</u> | <u>3,000</u> |

**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

|                     | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2016<br>Total<br>funds<br>£ | 2015<br>Total<br>funds<br>£ |
|---------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Investments         | -                          | 83,342                   | 83,342                      | 91,915                      |
| Current assets      | 7,059                      | 82,372                   | 89,431                      | 93,339                      |
| Current liabilities | (3,498)                    | -                        | (3,498)                     | (3,000)                     |
|                     | <u>3,561</u>               | <u>165,714</u>           | <u>169,275</u>              | <u>182,254</u>              |

**13. MOVEMENT IN FUNDS**

|                            | At 1.9.15<br>£ | Net movement<br>in funds<br>£ | At 31.8.16<br>£ |
|----------------------------|----------------|-------------------------------|-----------------|
| <b>Unrestricted funds</b>  |                |                               |                 |
| General fund               | 1,360          | (2,487)                       | (1,127)         |
| Organ Fund                 | 3,593          | 97                            | 3,690           |
| Youth Fund                 | 1,031          | (33)                          | 998             |
|                            | <u>5,984</u>   | <u>(2,423)</u>                | <u>3,561</u>    |
| <b>Restricted funds</b>    |                |                               |                 |
| Building Fund              | 9,752          | (3,306)                       | 6,446           |
| Reaching Communities       | 89,771         | 9,080                         | 98,851          |
| Benevolent Fund            | 589            | 514                           | 1,103           |
| Bequests held with TMCP    | 70,351         | (16,106)                      | 54,245          |
| Church Organisations Funds | 5,807          | (738)                         | 5,069           |
|                            | <u>176,270</u> | <u>(10,556)</u>               | <u>165,714</u>  |
| <b>TOTAL FUNDS</b>         | <u>182,254</u> | <u>(12,979)</u>               | <u>169,275</u>  |

**Chester le Street Methodist Church**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2016**

**13. MOVEMENT IN FUNDS - continued**

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

|                            | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement in<br>funds<br>£ |
|----------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| <b>Unrestricted funds</b>  |                            |                            |                          |                           |
| General fund               | 115,027                    | (117,514)                  | -                        | (2,487)                   |
| Organ Fund                 | 350                        | (253)                      | -                        | 97                        |
| Youth Fund                 | -                          | (33)                       | -                        | (33)                      |
|                            | <u>115,377</u>             | <u>(117,800)</u>           | <u>-</u>                 | <u>(2,423)</u>            |
| <b>Restricted funds</b>    |                            |                            |                          |                           |
| Reaching Communities       | 109,292                    | (102,748)                  | 2,536                    | 9,080                     |
| Benevolent Fund            | 514                        | -                          | -                        | 514                       |
| Church Organisations Funds | 8,283                      | (9,021)                    | -                        | (738)                     |
| Building Fund              | -                          | (3,306)                    | -                        | (3,306)                   |
| Bequests held with TMCP    | -                          | (20,000)                   | 3,894                    | (16,106)                  |
|                            | <u>118,089</u>             | <u>(135,075)</u>           | <u>6,430</u>             | <u>(10,556)</u>           |
| <b>TOTAL FUNDS</b>         | <u><u>233,466</u></u>      | <u><u>(252,875)</u></u>    | <u><u>6,430</u></u>      | <u><u>(12,979)</u></u>    |

**14. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2016.

**15. FIRST YEAR ADOPTION**

**Transitional relief**

On transition to FRS 102, the charity has taken advantage of the following transitional relief:

**Chester le Street Methodist Church**

**Reconciliation of Income and Expenditure  
for the Year Ended 31 August 2015**

|                                   | Notes | UK GAAP<br>£           | Effect of<br>transition to<br>FRS 102<br>£ | FRS 102<br>£           |
|-----------------------------------|-------|------------------------|--|------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b> |       |                        |  |                        |
| Donations and legacies            |       | 142,679                | -  | 142,679                |
| Charitable activities             |       | 11,917                 | -  | 11,917                 |
| Other trading activities          |       | 85,686                 | -  | 85,686                 |
| Investment income                 |       | 3,287                  | -  | 3,287                  |
| <b>Total</b>                      |       | <u>243,569</u>         | <u>-</u>                                   | <u>243,569</u>         |
| <b>EXPENDITURE ON</b>             |       |                        |  |                        |
| Charitable activities             |       | 252,753                | -  | 252,753                |
| Other                             |       | 660                    | -  | 660                    |
| <b>Total</b>                      |       | <u>253,413</u>         | <u>-</u>                                   | <u>253,413</u>         |
| Net gains/(losses) on investments |       | <u>(586)</u>           | <u>-</u>                                   | <u>(586)</u>           |
| <b>NET INCOME/(EXPENDITURE)</b>   |       | <u><u>(10,430)</u></u> | <u><u>-</u></u>                            | <u><u>(10,430)</u></u> |

**Chester le Street Methodist Church**

**Reconciliation of Funds  
At 1 September 2014  
(Date of Transition to FRS 102)**

|  | Notes | UK GAAP<br>£   | Effect of<br>transition to<br>FRS 102<br>£ | FRS 102<br>£   |
|--|-------|----------------|--|----------------|
| <b>FIXED ASSETS</b>                          |       |                |  |                |
| Investments                                  |       | 92,781         | -  | 92,781         |
|  |       | <u>92,781</u>  | <u>-</u>                                   | <u>92,781</u>  |
| <b>CURRENT ASSETS</b>                        |       |                |  |                |
| Debtors                                      |       | 6,416          | -  | 6,416          |
| Cash at bank and in hand                     |       | 95,294         | -  | 95,294         |
|  |       | <u>101,710</u> | <u>-</u>                                   | <u>101,710</u> |
| <b>CREDITORS</b>                             |       |                |  |                |
| Amounts falling due within one year          |       | (1,807)        | -  | (1,807)        |
|  |       | <u>99,903</u>  | <u>-</u>                                   | <u>99,903</u>  |
| <b>NET CURRENT ASSETS</b>                    |       |                |  |                |
|  |       | <u>192,684</u> | <u>-</u>                                   | <u>192,684</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                |  |                |
|  |       | <u>192,684</u> | <u>-</u>                                   | <u>192,684</u> |
| <b>FUNDS</b>                                 |       |                |  |                |
| Unrestricted funds                           |       | 10,527         | -  | 10,527         |
| Restricted funds                             |       | 182,157        | -  | 182,157        |
| <b>TOTAL FUNDS</b>                           |       | <u>192,684</u> | <u>-</u>                                   | <u>192,684</u> |

**Chester le Street Methodist Church**

**Reconciliation of Funds  
At 31 August 2015**

|  | Notes | UK GAAP<br>£          | Effect of<br>transition to<br>FRS 102<br>£ | FRS 102<br>£          |
|--|-------|-----------------------|--|-----------------------|
| <b>FIXED ASSETS</b>                          |       |                       |  |                       |
| Investments                                  |       | 91,915                | -  | 91,915                |
| <b>CURRENT ASSETS</b>                        |       |                       |  |                       |
| Debtors                                      |       | 9,547                 | -  | 9,547                 |
| Cash at bank and in hand                     |       | 83,792                | -  | 83,792                |
|  |       | <u>93,339</u>         | <u>-</u>                                   | <u>93,339</u>         |
| <b>CREDITORS</b>                             |       |                       |  |                       |
| Amounts falling due within one year          |       | (3,000)               | -  | (3,000)               |
| <b>NET CURRENT ASSETS</b>                    |       | <u>90,339</u>         | <u>-</u>                                   | <u>90,339</u>         |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>182,254</u>        | <u>-</u>                                   | <u>182,254</u>        |
| <b>NET ASSETS</b>                            |       | <u><u>182,254</u></u> | <u><u>-</u></u>                            | <u><u>182,254</u></u> |
| <b>FUNDS</b>                                 |       |                       |  |                       |
| Unrestricted funds                           |       | 5,984                 | -  | 5,984                 |
| Restricted funds                             |       | 176,270               | -  | 176,270               |
| <b>TOTAL FUNDS</b>                           |       | <u><u>182,254</u></u> | <u><u>-</u></u>                            | <u><u>182,254</u></u> |

**Chester le Street Methodist Church**

**Detailed Statement of Financial Activities  
for the Year Ended 31 August 2016**

|  | 2016<br>£     | 2015<br>£     |
|--|---------------|---------------|
| <b>INCOME AND ENDOWMENTS</b>                   |               |               |
| <b>Donations and legacies</b>                  |               |               |
| Donations                                      | 93,079        | 97,329        |
| Gift aid                                       | 13,298        | 13,769        |
| Legacies                                       | -             | 5,000         |
| Grants   | 39,918        | 26,581        |
|  | <hr/> 146,295 | <hr/> 142,679 |
| <b>Other trading activities</b>                |               |               |
| Fundraising events                             | 1,734         | 990           |
| Rent Received                                  | 70,897        | 84,696        |
|  | <hr/> 72,631  | <hr/> 85,686  |
| <b>Investment income</b>                       |               |               |
| Deposit account interest                       | 3,145         | 3,287         |
| <b>Charitable activities</b>                   |               |               |
| Church Activities                              | 11,395        | 11,917        |
|  | <hr/>         | <hr/>         |
| <b>Total incoming resources</b>                | 233,466       | 243,569       |
|  | <hr/>         | <hr/>         |
| <b>EXPENDITURE</b>                             |               |               |
| <b>Investment management costs</b>             |               |               |
| Investment advice                              | 243           | -             |
| <b>Charitable activities</b>                   |               |               |
| Wages  | 78,069        | 78,738        |
| Rates and water                                | 3,628         | 3,829         |
| Insurance                                      | 5,697         | 6,086         |
| Light and heat                                 | 22,027        | 23,820        |
| Telephone                                      | -             | 1,611         |
| Postage and stationery                         | 619           | 1,655         |
| Sundries                                       | 40,565        | 42,474        |
| Honorarium                                     | 900           | 880           |
| Circuit Assessment                             | 88,616        | 79,407        |
| Grants to institutions                         | 11,806        | 14,253        |
|  | <hr/> 251,927 | <hr/> 252,753 |
| <b>Support costs</b>                           |               |               |
| <b>Finance</b>                                 |               |               |
| Bank charges                                   | 45            | -             |
| <b>Governance costs</b>                        |               |               |
| Accountancy                                    | 660           | 660           |
|  | <hr/>         | <hr/>         |
| <b>Total resources expended</b>                | 252,875       | 253,413       |
|  | <hr/>         | <hr/>         |
| <b>Net expenditure before gains and losses</b> | (19,409)      | (9,844)       |

This page does not form part of the statutory financial statements

**Chester le Street Methodist Church**

**Detailed Statement of Financial Activities  
for the Year Ended 31 August 2016**

|  | 2016<br>£       | 2015<br>£      |
|--|-----------------|----------------|
| <b>Realised recognised gains and losses</b>        |                 |                |
| Realised gains/(losses) on fixed asset investments | (377)           | -              |
| <b>Net expenditure</b>                             | <u>(19,786)</u> | <u>(9,844)</u> |