

# **THE NEW ROOM / JOHN WESLEY'S CHAPEL**



**TRUSTEES' ANNUAL REPORT  
AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**The New Room/John Wesley's Chapel**  
**Year ended 31st August 2018**  
**Charity Reference and Administrative Details**

**Charity Registration No** 1137957

<b>Trustees</b>	Rev A. Ward Jones (Chair)	Mr John Hirst
	Rev Jonathan Pye	Mr Martin R Hunt
	Rev David Alderman	Mrs Linda Jones
	Mr Gary Best (Warden)	Mr Peter Knowles
	Ms Jane Allin	Rev Jongsin Lee
	Mr T D Bainbridge	Mr Michael Rose
	Mrs Jennifer Carpenter	Mrs Aroona Smith
	Mr Philip Carter	Rev David G Weeks
	Mr Michael J Culshaw	Mr Stephen Williams
	Mr Stephen Duckworth	Mr Robert Wood
	Mr Geoffrey Gollop	

All Trustees served for the full year.

**Chief Executive Officer** Mr David Worthington

**Registered office** 36 The Horsefair  
Bristol  
BS1 3JE

**Independent Examiner** Haines Watts Partnership (Bristol) Limited  
6-8 Bath Street  
Redcliffe  
Bristol  
BS1 6HL

**Bankers** Bank of Scotland  
33 Old Broad Street  
London  
EC2N 1HZ

Central Finance Board of the Methodist  
Church  
9 Bonhill Street  
London  
EC2A 4PE

**Investment Managers** Trustees for Methodist Church Purposes  
Central Buildings  
Oldham Street  
Manchester  
M1 1JQ

## **The New Room/John Wesley's Chapel**

### **Year ended 31st August 2018**

### **Trustees' Annual Report**

The Trustees present their report and the audited financial statements of the charity for the year ended 31st August 2018. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

#### **Trustees of the charity**

The Trustees who have served during the year and since the year end were as follows:

Rev A. Ward Jones (Chair)	Mr John Hirst
Rev Jonathan Pye	Mr Martin R Hunt (until 31/08/18)
Rev David Alderman	Mrs Linda Jones
Mr Gary Best (Warden)	Mr Peter Knowles (until 31/08/18)
Ms Jane Allin	Rev Jongsin Lee (until 31/08/18)
Mr T D Bainbridge (until 31/08/18)	Mr Michael Rose
Mrs Jennifer Carpenter (until 31/08/18)	Mrs Aroona Smith
Mr Philip Carter (until 31/08/18)	Rev David G Weeks
Mr Michael J Culshaw (until 31/08/18)	Mr Stephen Williams (until 31/08/18)
Mr Stephen Duckworth (until 31/08/18)	Mr Robert Wood
Mr Geoffrey Gollop	Mr John Savage (Chair from 01/09/18)
Mrs Rachel Newton (from 01/09/18)	Rev Josette Crane (from 01/09/18)
Ms Anne Topping (from 01/09/18)	Rev Gareth Powell (from 01/09/18)
Mr Niall Phillips (from 01/09/18)	Rev Steven Wild (from 01/09/18)

#### **Objectives and activities**

The Trustees are responsible to the Methodist Church for maintaining the New Room and Charles Wesley's House and promoting them as a community facility, educational resource, heritage attraction, and cultural venue in Bristol. This involves:

- a. setting, developing and maintaining the vision and mission of the New Room and Charles Wesley's House as places of pilgrimage, enabling visitors to understand the historical and religious importance of John and Charles Wesley and their continuing influence, especially on worldwide Methodism
- b. maintaining John Wesley's Chapel at the New Room as a place of worship and prayer and spiritual refreshment and for concerts, recitals, celebrations, and other events for which it is suited;
- c. maintaining the upstairs rooms at the New Room as an accredited Museum, highlighting the role of the Wesleys and their links with Bristol;
- d. maintaining Charles Wesley's House in a manner indicative of its use by his family, with particular reference to his contribution to hymnody and the musical achievements of his sons;
- e. maintaining an archive and library for public use that particularly focuses on eighteenth century Methodism and, more locally, on the history of Methodism in Bristol and the surrounding area;
- f. engaging with the local community through various educational and other activities and through its cafe;

- g. overseeing the property, finances, staffing, volunteers, organisation and activities and all matters pertaining to the work of the New Room and Charles Wesley's House. This includes ensuring that the Trust complies with charity law and other legislation.

In order to fulfil these objectives over a hundred and fifty volunteers contribute and the wide range of activities taking place are a product of engaging not only with many local churches, schools, youth groups, charities, places of higher education, and other organisations but also with Bristol City community initiatives, with other Methodist heritage sites across the country, and with national and international organisations linked to Methodism.

### **Fund-raising Standards Information**

No professional fundraiser or commercial organisation is employed to fund raise. Some of the charity's income is derived from its activities:

- a. income received from museum visitors;
- b. income from profits made by the cafe and shop and from commercial letting of facilities;
- c. income from activities for which there is a charge.

Other fund-raising is planned by the Executive Committee and authorised by the Trustees as a whole. The fund-raising takes various forms;

- a. some individuals are asked to volunteer as 'ambassadors' for the work of the New Room both in Britain and abroad (mainly in the USA and Korea). They are asked to identify and encourage potential donors;
- b. some individuals are asked to volunteer as 'fund-raisers' working through the Friends of the New Room. This may involve:
  - i) making applications for grants to trusts or other organisations;
  - ii) organising fund-raising events;
  - iii) encouraging individuals to give regular gift-aided donations;
- c. having donation boxes within the New Room and Charles Wesley's House;
- d. seeking financial support through information provided in leaflets and on the web site.

It is made clear to all those involved in fund-raising that no undue pressure must be placed on anyone to give money or other property and the Trustees will not permit any fund-raising activity that might be judged to be an unreasonable intrusion on a person's privacy or unreasonably persistent or unreasonable to anyone who might be judged to be vulnerable.

All the money raised is processed via the Treasurer and Assistant Treasurer and there are strict guidelines regulating the handling of monies. The Finance and Property Committee oversee that these regulations are followed.

There have been no complaints received about the charity's fund-raising activity or about the activities of any of our volunteer fundraisers.

### **Public benefit statement**

The trustees have had regard to the Charity Commission guidance on public benefit.

## **Achievements and Performance**

The New Room is open to visitors six days a week (Monday to Saturday) all the year round and is the most visited Methodist heritage site in the UK.

The opening of the new visitor centre in the Horsefair Courtyard in June 2017 has seen a significant step-change at the New Room and its operation. The new facilities have enabled the New Room to develop its work as a place of pilgrimage, worship, exploration, community building and spiritual growth through its state of the art museum and library space, meeting room for education and training, café and shop. Overall visitor numbers since the new facilities opened have seen higher than ever figures recorded; in the first year of opening over 36,000 visitors were welcomed in comparison to the previous annual figure of 24,000. This figure increases to 50,000 if café patrons are included.

The challenge moving forward is to ensure that what has been achieved can be expanded and sustained beyond the point at which the ongoing financial support from Heritage Lottery Fund ends in December 2020, particularly in respect of employing a full staff team which presently numbers nine. The current paid roles are Director (F/T), Assistant Manager (P/T), Education Officer (F/T), Community Engagement Officer (P/T), Collections Manager (P/T), Operations Manager (F/T), Café Manager (F/T), Assistant Café Manager (F/T) and Catering Assistant (P/T). Other than the Director and the three café roles, the HLF are the primary funders of the other five roles.

The current income streams need to increase across the café, museum and shop if the current level of activity and staffing levels is to continue beyond this date and this is recognised by the trustees who acknowledge that additional grants may be required. Based on current projections, it is anticipated that this will need to be @£100K per annum. It is also noted that Methodism needs to recognise not only the New Room's worldwide significance but also its proven potential for mission and to respond with appropriate ongoing financial support, so this will become part of the responsibilities for the trustee appointed as the Fundraising Officer. However, it should be noted that the new facilities will allow the New Room to expand its income through venue hire, both through the Horsefair Room in the new visitor centre and the chapel itself, plus there has already been an increase in the number of group visits because of the new museum and catering facilities now available on site.

Volunteers remain at the heart of the New Room's activity and there is a particular focus on expanding the numbers to support the increased size of the operation. There are a wide range of volunteering opportunities available including hospitality, retail and museum collections so it is hoped that this will widen the backgrounds of those who offer their services. The New Room has been successful in recruiting students from both universities in the city as well as offering work experience and internships.

The trustees adopted a new governance structure which came into force on 1st September 2018. The number of trustees reduced to 18 from 24 and new committees were be introduced to streamline the reporting process to the trustee body. It was also agreed that the Secretary of the Methodist Conference should become an ex-officio trustee which will not only provide a strong Connexional link but more accurately reflect the significance that British Methodism now accords to the New Room and its focus on mission through heritage.

## **Financial review (including reserves policy)**

The Achievements and Performance section above highlights the significant changes that have taken place during the year under report. The main financial aim in that period was to carry out the project within budget and manage the expanded operations without needing to utilise reserves. That aim appears to have been achieved. At the year end, free reserves of £104,932 (2017 - £75,837) were held.

The following section indicates the plans to establish a sustainable operating model for those activities. The trustees recognise that there will be a need to increase the level of reserves in the future but intend to use the current HLF funding to support the current activity plan. Monthly management accounts are prepared and monitored to ensure budget is maintained and therefore the General Fund reserves level is considered adequate and the Trustees' intend to maintain reserves at that level with a further review in March 2020 when the current funding ceases."



## **Plans for future periods**

Ahead of the end of the HLF funding period in December 2020, the New Room trustees will need to decide what level of operation it wishes to see post that period. Income generation from new sources, such as the café, museum and room hire, will be critical to that decision, but, in addition, there will need to be an active fund-raising process to supplement this income stream. By necessity, this will include dialogue with the Methodist Church and external charities and trusts. It is acknowledged that it may be necessary to adapt the delivery of the operation to reflect funders' required outcomes, but the trustees are aware that they need to be able to offer definite guidance to staff in their respective roles in the operation well in advance of the December 2020 deadline.

In the meantime, staff will continue to deliver the previously agreed Activity Plan which will be subject to a final evaluation by the HLF in 2020. This work includes education outreach, community engagement, museum, library and archive research and learning opportunities and volunteering skill development in hospitality and retail.

## **Structure, governance and management**

The Trustees of John Wesley's Chapel (the New Room) and 4-5 Charles Street are appointed to manage the affairs of the Trust on behalf of the British Methodist Church. They operate under Methodist Church Act 1976 Standing Order 220 and 910 (5) of the Constitutional Practice and Discipline of the Methodist Church.

The Trustees are responsible for proposing new trustees as and when required but the decision on who becomes a trustee is then taken by the Methodist Church at its annual Conference. There are normally up to twenty trustees appointed and these cover a wide range of specialisms. It is the aim that 75% of the trustees should be Methodists or come from a Methodist background and to have representation from circuit, district and Connexional levels of the Methodist Church. The Secretary of the Methodist Conference or a designated substitute is an ex-officio trustee. Each trustee is normally appointed for a period not exceeding six years, although a person can seek re-appointment if that is in the interests of the charity. There is an expectation that each trustee will serve either on a committee or in some other direct way.

A trustee must be over eighteen years old, satisfactorily meet the regulations that apply with regard to child protection, and be free of any criminal convictions. He or she must not be in a position to benefit from the charity and must be willing to attend in-service training as deemed appropriate. The in-service training programme is determined by the Chair and Director working in liaison with the Education Officer, the Management and Engagement Committee, and agencies of the Methodist Church, such as the Heritage Committee. The Heritage Committee is an important support network, which contains a wide body of expertise and representatives from all the key Methodist heritage sites.

The Trustees appoint from within their number a Chair and a range of other voluntary officers, including a Deputy-Chair, a Chair of the Finance and Property Committee, a Chair of the Management and Engagement Committee, a Secretary, a Treasurer, a Historical Consultant, a Chaplain, and a representative who will sit on the Methodist Church's Heritage Committee.

The Trustees normally meet three times a year. The Secretary gives at least two weeks' notice of meetings and for a meeting to be quorate there must be 50% of the total number plus one in attendance. Where decisions are taken each trustee present has one vote and, if there is an equality of votes, the Chair has a casting vote. There are two committees that also meet at least three times a year (the Management and Engagement Committee and the Finance and Property Committee). There is also an Executive Committee which meets as and when required (normally once between each of the full meetings of the Trustee body). It operates under the delegated authority of the Trustees and is answerable to them. Its membership comprises the Chair of Trustees (who acts as its Chair), the Deputy-Chair, the Chair of the Management and Engagement Committee, the Chair of the Finance and Property Committee, the Secretary of the Trustees, and, in a non-voting capacity, the Director. The Committee has the authority to co-opt people with particular skills as may be appropriate to attend a meeting or undertake specific tasks to assist the Committee. Its terms of reference are:

1. to formulate the overall strategy for the future operation of the Trust which is consistent with the Mission Statement and approved by the Trustees;
2. to oversee the Five Year Strategic Plan which incorporates the strategic requirements of the Trust and is approved by the Trustees and, in line with this, the annual Activity Plan;
3. to oversee that the day-to-day running of the New Room is effective;
4. to oversee the activities of the Management and Engagement Committee and the Property and Finance Committee and any working group that is set up, giving guidance and/or authority where necessary;
5. to keep itself informed of the financial position of the Trust and to recommend to the Trustees strategic decisions in the light of this.

The Trustees have the power to employ staff and set terms, conditions, and remuneration rates of such employment, having regard to employment law and to lay employment guidelines set by the Methodist Church. There is an annual review of salaries to take account of inflation (undertaken in conjunction with the Methodist Church) but every three years there is a wider review to compare salaries with what is happening in the marketplace for comparable roles and to take into account any significant changes in responsibility. The key employee is the Director, who acts as the chief executive of the Trustees, supervising the day-to-day running of the New Room and line-managing the other staff (the Education Officer, the Community Engagement Officer, the Collections Manager, the Cafe Manager, etc). Regular reports are expected from the staff to the Trustees (and, whenever judged necessary, staff may be requested to attend a part of the Trustees' meeting to answer questions. etc).

The Chair of Trustees line manages the Director and works with him and the Executive Committee to develop strategic proposals and these are then discussed and developed within the Committees or working parties before being decided upon by the Trustee body as a whole. The Director attends Trustee meetings and committees but in a non-voting capacity. The Director and appropriate members of the staff team are responsible for recruiting a range of volunteers (working as guides, working in the cafe and shop, working in the archives, library or museum, fund-raising, etc) and ensuring these are properly trained. In addition the Trustees identify and invite people to become patrons or ambassadors for the New Room (abroad as well as in the UK).

The Trustees are required to ensure that the Trust remains solvent through its activities and through donations and other fund-raising exercises. To this end a Five-Year Strategic Plan is drawn up and there is an annual Activity Plan which is reviewed and evaluated. No trustee or volunteer can benefit financially except from the receipt of payment for expenses incurred in the course of duties and there is an agreed policy on expenses. Any funds raised, grants obtained, loans secured, or income received in any other way can only be used for the purposes of the Trust. Trustees take care in investing the funds of the Trust and seek to avoid undertaking any activities that might place the Trust's endowments, funds, assets or reputation at risk.

Since 2015 the Trustees have been working very closely with the Heritage Lottery Fund because it made a major grant (£2.6 million) towards 'the Horsefair Project' - the creation of a new Museum and a new Visitors' Centre (including a Cafe and new Archives and Library) and the development of greater community engagement programme. The Trust has also been reporting back to other donors to the Project, including the Joseph Rank Trust, Leonard Laity Stoate Charitable Trust, Gibbs Charitable Trust, J & M Britton Charitable Trust, Maurice & Hilda Laing Charitable Trust, the Wolfson Foundation and Allchurches Trust. As part of this process, a major risk assessment was undertaken and that is being subsequently monitored and, where necessary, updated by the Chair of the Finance and Property Committee working in conjunction with various staff and volunteers. A specialist risk assessment relating to the Museum Collection has also been drawn up. The Horsefair Project will continue until 2020.

## **Funds held as Custodian Trustee on behalf of others**

No funds are held on behalf of others

## **Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

## **Statement of Trustees Responsibilities**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Statement as to Disclosure of Information to Independent Examiner**

So far as the trustees are aware, there is no relevant information of which the Examiner is unaware, and each trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant information and to establish that the Examiner is aware of that information.

Approved by order of the board of trustees on the 2<sup>nd</sup> day of April 2019 and signed on its behalf by :

.....  
**Mr John Savage** - Trustee

.....  
**Mr Geoff Gollop** - Trustee



## Independent Examiner's Report to the Trustees of The New Room/John Wesley's Chapel

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2018.

### Responsibilities and basis of report

As the charity's trustees 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 charity's accounts carried out under section 145 of the 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:

1. accounting records were not kept in respect of the charity 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.

  
Geoffrey Speirs FCA

ICAEW  
Haines Watts  
Chartered Accountants  
Bath House  
6-8 Bath Street  
Bristol  
BS1 6HL

Date 29 April 2019

**Statement of Financial Activities (SOFA) for the year ended 31 August 2018**

	Notes to the accounts	General Fund (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2017-18 £
<b>Income</b>						
1 Donations, Legacies and Grants	2	52,186		200,839		253,025
2 Charitable Activities	3	44,393				44,393
3 Other Trading Activities	4	149,014				149,014
4 Interest and investment income	5	7,222				7,222
5 Other	6	1,992				1,992
6 <b>Total income</b>		<b>254,807</b>	<b>0</b>	<b>200,839</b>	<b>0</b>	<b>455,646</b>
<b>Expenditure</b>						
7 Raising Funds	7	110,157				110,157
8 Charitable Activities	8	115,230	35,439	374,336		525,005
9 Other						
10 <b>Total charitable expenditure</b>		<b>225,387</b>	<b>35,439</b>	<b>374,336</b>	<b>0</b>	<b>635,162</b>
11 Gains/(losses) on monetary investments		(325)		(1,234)	7,896	6,337
12 <b>Net income/(expenditure)</b>		<b>29,095</b>	<b>(35,439)</b>	<b>(174,731)</b>	<b>7,896</b>	<b>(173,179)</b>
13 Transfers between funds						0
14 Other gains/(losses)						0
15 <b>Net movement in funds</b>		<b>29,095</b>	<b>(35,439)</b>	<b>(174,731)</b>	<b>7,896</b>	<b>(173,179)</b>
16 Total funds brought forward		75,837	71,262	466,597	143,059	756,755
17 <b>Total funds carried forward</b>		<b>104,932</b>	<b>35,823</b>	<b>291,866</b>	<b>150,955</b>	<b>583,576</b>

**Year ended 31 August 2017**

	General Fund (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2016-17 £
<b>Income</b>					
1 Donations, Legacies and Grants	53,574		1,570,604		1,624,178
2 Charitable Activities	15,050	2,123			17,173
3 Other Trading Activities	67,455				67,455
4 Interest and investment income	6,354		1,466		7,820
5 Other	9,589				9,589
6 <b>Total income</b>	<b>152,022</b>	<b>2,123</b>	<b>1,572,070</b>	<b>0</b>	<b>1,726,215</b>
<b>Expenditure</b>					
7 Raising Funds	66,478				66,478
8 Charitable Activities	82,785	43,736	2,276,979		2,403,500
9 Other					
10 <b>Total charitable expenditure</b>	<b>149,263</b>	<b>43,736</b>	<b>2,276,979</b>	<b>0</b>	<b>2,469,978</b>
11 Gains/(losses) on monetary investments	-185		-1,721	13,717	11,811
12 <b>Net income/(expenditure)</b>	<b>2,574</b>	<b>-41,613</b>	<b>-706,630</b>	<b>13,717</b>	<b>-731,952</b>
13 Transfers between funds		112,875	-112,875		0
14 Other gains/(losses)					0
15 <b>Net movement in funds</b>	<b>2,574</b>	<b>71,262</b>	<b>-819,505</b>	<b>13,717</b>	<b>-731,952</b>
16 Total funds brought forward	73,263	0	1,286,102	129,342	1,488,707
17 <b>Total funds carried forward</b>	<b>75,837</b>	<b>71,262</b>	<b>466,597</b>	<b>143,059</b>	<b>756,755</b>

# The New Room/John Wesley's Chapel

## Balance Sheet as at 31 August 2018

	Notes to the Accounts	General Fund (Unrestricted)  £	Designated Funds (Unrestricted)  £	Restricted Funds  £	Endowment Funds  £	Totals 2018  £	Totals 2017  £
<b>Fixed Assets</b>							
Church building and other property							
Investment properties							
Investments	15				150,955	150,955	143,059
<b>Total fixed assets</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>150,955</b>	<b>150,955</b>	<b>143,059</b>
<b>Current Assets</b>							
Shop Stock		9,531				9,531	8,778
Debtors and prepayments	16	3,434		8,157		11,591	103,729
Investments with Trustees for Methodist Church Purposes (TMCP) - Short term	17	67,711		163,297		231,008	232,567
Central Finance Board (CFB) Deposits	16	20,697	35,823	195,879		252,399	327,592
Cash at Bank and in hand	16	25,423				25,423	21,041
<b>Total current assets</b>		<b>126,796</b>	<b>35,823</b>	<b>367,333</b>	<b>0</b>	<b>529,952</b>	<b>693,707</b>
<b>Current liabilities</b>							
Creditors (due in under 1 year)	18	21,864		75,467		97,331	80,011
						0	
<b>Total current liabilities</b>		<b>21,864</b>		<b>75,467</b>	<b>0</b>	<b>97,331</b>	<b>80,011</b>
<b>Net current assets/liabilities</b>		<b>104,932</b>	<b>35,823</b>	<b>291,866</b>	<b>0</b>	<b>432,621</b>	<b>613,696</b>
<b>Total assets less current liabilities</b>		<b>104,932</b>	<b>35,823</b>	<b>291,866</b>	<b>150,955</b>	<b>583,576</b>	<b>756,755</b>
<b>Long term liabilities (due after more than one year)</b>							
						0	
						0	
						0	
<b>Net assets</b>		<b>104,932</b>	<b>35,823</b>	<b>291,866</b>	<b>150,955</b>	<b>583,576</b>	<b>756,755</b>
<b>Funds of the New Room</b>							
General Fund (Unrestricted)	20	104,932				104,932	75,837
Designated Funds (Unrestricted)	20		35,823			35,823	71,262
<b>Total Unrestricted Funds</b>	<b>20</b>					<b>140,755</b>	<b>147,099</b>
Restricted Funds	20			291,866		291,866	466,597
Endowment Funds	20				150,955	150,955	143,059
<b>Total Funds</b>		<b>104,932</b>	<b>35,823</b>	<b>291,866</b>	<b>150,955</b>	<b>583,576</b>	<b>756,755</b>

The financial statements were approved by the board on the 2nd day of April 2019

Approved on behalf of the Board of Trustees

Mr John Savage - Trustee

Mr Geoff Gollop - Trustee

The notes on pages 10 to 19 form part of these financial statements

# **The New Room/John Wesley's Chapel**

## **Year ended 31st August 2018**

### **Notes to the accounts**

#### **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, as modified by the revaluation of certain assets.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 2015 (FRS 102) (effective 1 January 2015) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

##### **Income**

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the Charity. No attempt is made to measure the value of services donated by volunteers. Individual amounts categorised as Other Income in the SOFA will be shown separately if they are considered material. Grants are recognised in full in the SOFA in the year in which they are receivable, where all the conditions of the grant have been met. Where conditions exist which remain unsatisfied, the grant is treated as a liability until the conditions have been substantially met.

##### **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.

# **The New Room/John Wesley's Chapel**

## **Year ended 31st August 2018**

### **Notes to the accounts**

#### **1. ACCOUNTING POLICIES (continued)**

##### **Governance costs**

Governance costs comprise all costs involved in the public accountability of the charity and its compliance with regulation and good practice.

##### **VAT**

The Trust is registered for VAT and accounts for VAT under a partial exemption special method approved by HMRC.

##### **Fund accounting**

Unrestricted funds are incoming resources receivable or generated for the objects of the Trust without further specified purpose. They are available as general funds and can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. 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. Expenditure which meets the criteria is charged to the fund together with a fair allocation of support costs where appropriate. Endowment funds represent restricted gifts, the capital normally being unavailable for spending. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **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.

##### **Financial Instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **Donated goods and services**

No value is included in the financial statements in respect of the receipt of items donated to the museum and library collections. If items are donated for resale then the income from sale will be recognised at the point of sale. In accordance with Charities SORP (FRS 102) the time of volunteers is not recognised.

##### **Allocation and apportionment of support costs**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads have been allocated on floor area basis and other overheads have been allocated on estimated management time spent in support of the relevant activity.

**The New Room/John Wesley's Chapel**  
**Year ended 31st August 2018**  
**Notes to the accounts**

**1. ACCOUNTING POLICIES (continued)**

**Stock**

Stocks are stated at the selling price less 50%.

**Investments**

Investments are made in various TMCP funds and recognised at the fund market value at balance sheet date. Current asset investments with TMCP are mainly short term highly liquid investments.

**Cash**

Cash at bank is held to meet short-term cash commitments as they fall due rather than for investment purposes. Cash on deposit with the Central Finance Board can normally be accessed within two working days' notice.

**Debtors**

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

**Creditors**

The charity has creditors which are measured at settlement amounts.



**The New Room/John Wesley's Chapel**  
**Year ended 31st August 2018**  
**Notes to the accounts**

<b>2. Donations, Legacies and Grants</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>2018 Total</b>	<b>2017 Total</b>
	£				
Tax credits	3,803		2,000	5,803	2,752
Donations	11,642		8,000	19,642	15,835
Grants	36,741		190,839	227,580	1,605,591
<b>Total</b>	<b>52,186</b>	<b>0</b>	<b>200,839</b>	<b>253,025</b>	<b>1,624,178</b>

<b>3. Charitable activities</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>2018 Total</b>	<b>2017 Total</b>
	£	£	£	£	£
Fund raising	4,216			4,216	321
Museum, Tours etc	29,823			29,823	11,656
Lettings	8,358			8,358	1,667
Education Activities	1,946			1,946	1,406
Other	50			50	2,123
<b>Total</b>	<b>44,393</b>	<b>0</b>	<b>0</b>	<b>44,393</b>	<b>17,173</b>

<b>4. Other trading activities</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>2018 Total</b>	<b>2017 Total</b>
	£	£	£	£	£
Shop	24,950			24,950	26,004
Café	98,364			98,364	16,228
Rental Income	25,700			25,700	25,223
<b>Total</b>	<b>149,014</b>	<b>0</b>	<b>0</b>	<b>149,014</b>	<b>67,455</b>

<b>5. Investment income</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>2018 Total</b>	<b>2017 Total</b>
				£	£
Central Finance Board & TMCP	7,222			7,222	7,820
<b>Total</b>	<b>7,222</b>	<b>0</b>	<b>0</b>	<b>7,222</b>	<b>7,820</b>

<b>6. Other</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>2018 Total</b>	<b>2017 Total</b>
	£	£	£	£	£
Other Income	1,061			1,061	5,291
VAT	931			931	4,298
<b>Total</b>	<b>1,992</b>	<b>0</b>	<b>0</b>	<b>1,992</b>	<b>9,589</b>

**The New Room/John Wesley's Chapel**  
**Year ended 31st August 2018**  
**Notes to the accounts**

**7. Analysis of expenditure on Raising Funds**

	Activities undertaken directly	Support Costs	Total
	£	£	£
<b>2017-18</b>			
Shop	15,005	1,807	16,812
Café	<u>87,577</u>	<u>5,768</u>	<u>93,345</u>
	<u>102,582</u>	<u>7,575</u>	<u>110,157</u>
<b>2016-17</b>			
Shop	14,508	1,956	16,464
Café	<u>44,080</u>	<u>5,934</u>	<u>50,014</u>
	<u>58,588</u>	<u>7,890</u>	<u>66,478</u>

**8. Analysis of expenditure on Charitable Activities**

	Activities undertaken directly	Grant Funding of activities	Support Costs	Total
	£	£	£	£
<b>2017-18</b>				
Development of New Museum and Visitor Centre	280,895		0	280,895
Museum & Collections	57,370		17,574	74,944
Education & Community Engagement	90,234		8,674	98,908
Other	<u>38,452</u>		<u>31,806</u>	<u>70,258</u>
	<u>466,951</u>	<u>0</u>	<u>58,054</u>	<u>525,005</u>
<b>2016-17</b>				
Development of New Museum and Visitor Centre	2,145,622		0	2,145,622
Museum & Collections	41,583		25,006	66,589
Education & Community Engagement	103,016		12,640	115,656
Other	<u>33,352</u>		<u>42,281</u>	<u>75,633</u>
	<u>2,323,573</u>	<u>0</u>	<u>79,927</u>	<u>2,403,500</u>

Following several years planning, the building of new museum and visitor centre started in January 2016 with practical completion in May 2017. The costs of £280,895 (2017 £2,145,622) include professional fees, the main construction contract, fitting out of the new building and the design and installation of the museum. The larger part of expenditure of £90,666 (2017 £103,016) on Education and Community Engagement is for staffing costs.

**9. Allocation of Support Costs**

	Governance	Office Costs	Property Running Costs	Total
	£	£	£	£
<b>2017-18</b>				
Raising Funds - Shop	123	69	1,615	1,807
- Café	246	137	5,385	5,768
Charitable Activities - Museum & Collections	1,232	2,882	13,460	17,574
- Education & Community Engagement	1,232	2,058	5,384	8,674
- Other	<u>2,094</u>	<u>1,715</u>	<u>27,997</u>	<u>31,806</u>
<b>Total Support Costs</b>	<u>4,927</u>	<u>6,861</u>	<u>53,840</u>	<u>65,629</u>
<b>2016-17</b>				
Raising Funds - Shop	111	160	1,685	1,956
- Café	221	319	5,394	5,934
Charitable Activities - Museum & Collections	1,108	6,707	17,191	25,006
- Education & Community Engagement	1,108	4,790	6,742	12,640
- Other	<u>1,883</u>	<u>3,993</u>	<u>36,405</u>	<u>42,281</u>
<b>Total Support Costs</b>	<u>4,431</u>	<u>15,969</u>	<u>67,417</u>	<u>87,817</u>

**The New Room/John Wesley's Chapel**  
**Year ended 31st August 2018**  
**Notes to the accounts**

**10. Independent Examiner's/Auditor's Remuneration**

Amounts payable to the independent examiner/auditor comprise £2,500 + VAT for the independent examination (2017 £3,000 + VAT for the audit) only.

**11. Trustees' Remuneration and benefits**

There was no Trustees' remuneration for the year ended 31st August 2018. (2017 £ nil )

	2017-18	2016-17
Number of trustees who were paid expenses	8	6
Nature of the expenses : Travel Expenses		
Total amount paid	£1,347	£2,241

The total employment benefits, including pension contributions, of the key management personnel were £46,563 (2017 £37,698 ).

	2017-18	2016-17
<b>12. Staff Costs</b>	£	£
Gross wages, salaries and benefits in kind	173,337	122,965
Employer's National Insurance costs	14,654	10,872
Pension costs	<u>9,931</u>	<u>7,562</u>
Total staff costs	<u>197,922</u>	<u>141,399</u>

Average number of staff employed during the year were:	9	6
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No employees received total emoluments of more than £60,000

**13. Pension Benefits**

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year was £9,931 (2017 £7,562 ).

Pension costs are allocated to activities based on estimated time to support the relevant activity and are recognised in the general fund and development fund as appropriate.

**14. Tangible Fixed Assets**

No valuation is attached to tangible fixed assets. The trustees act only as managing trustees for the premises, a Methodist Conference Property. For insurance purposes the chapel and visitor centre and Charles Street premises and contents are valued at £6,282,515 (2017 £6,768,598 ).

**15. Investments**

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

**The New Room/John Wesley's Chapel**  
**Year ended 31st August 2018**  
**Notes to the accounts**

**15. Investments (continued)**

<b>Analysis of investment movements</b>	<b>2017-18</b>	<b>2016-17</b>
	<b>£</b>	<b>£</b>
Carrying (market) value at beginning of year	143,059	129,342
Net gain (loss) on revaluation	<u>7,896</u>	<u>13,717</u>
Carrying (market) value at end of year	<b><u>150,955</u></b>	<b><u>143,059</u></b>

These investments are managed by TMCP and held in the CFB Managed Equity Fund and shown at market value at the balance sheet date.

<b>16. Analysis of other current assets</b>	<b>2017-18</b>	<b>2016-17</b>
	<b>£</b>	<b>£</b>
<b>Debtors and prepayments</b>		
Trade Debtors	2,219	269
Prepayments & Accrued Income	9,372	6,642
Other Debtors	0	96,818
<b>Total Debtors and prepayments</b>	<b><u>11,591</u></b>	<b><u>103,729</u></b>
<b>Analysis of cash at bank</b>		
Bank balance (Bank of Scotland)	25,082	21,041
Bank balance (Central Finance Board)	252,399	327,592
Other	341	0
<b>Total Cash at Bank</b>	<b><u>277,822</u></b>	<b><u>348,633</u></b>

**17. Current Asset Investments**

CFB Managed Equity Fund	15,071	14,282
CFB Managed Fixed Interest Fund	110,920	113,268
Trustees Interest Fund	<u>105,017</u>	<u>105,017</u>
	<b><u>231,008</u></b>	<b><u>232,567</u></b>

Investments are shown at market value at the balance sheet date.

**18. Analysis of current liabilities**

Trade Creditors	76,354	77,339
Other Creditors	11,230	0
Taxation and Social Security costs	<u>9,747</u>	<u>2,672</u>
<b>Total Current Liabilities</b>	<b><u>97,331</u></b>	<b><u>80,011</u></b>

**19. Related Party Transactions**

No related party transactions took place during the year (2017 nil)

**The New Room/John Wesley's Chapel**  
**Year ended 31st August 2018**  
**Notes to the accounts**

**20. Detailed analysis of individual fund movements 2017/18**

**Unrestricted Funds**

<b>Fund Name</b>	<b>Opening Balance £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Revaluation gains (losses) £</b>	<b>Closing Balance £</b>
General	75,837	254,807	225,387		(325)	104,932
<b>Totals</b>	<b>75,837</b>	<b>254,807</b>	<b>225,387</b>		<b>(325)</b>	<b>104,932</b>

**Designated Funds**

<b>Fund Name</b>	<b>Opening Balance £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Revaluation gains (losses) £</b>	<b>Closing Balance £</b>
District	10,591		10,591			0
New Room Museum	1,602		1,602			0
Museum of Hymnody	10,519		10,519			0
New Publications	1,860		1,860			0
Library/Archive	10,867		10,867			0
Major Repairs	26,313					26,313
Broadmead Courtyard	9,510					9,510
<b>Totals</b>	<b>71,262</b>	<b>0</b>	<b>35,439</b>	<b>0</b>	<b>0</b>	<b>35,823</b>

**Restricted Funds**

<b>Fund Name</b>	<b>Opening Balance £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Revaluation gains (losses) £</b>	<b>Closing Balance £</b>
Development	302,066	200,839	374,336			128,569
Chapel Appeal and Maintenance	164,531				(1,234)	163,297
<b>Totals</b>	<b>466,597</b>	<b>200,839</b>	<b>374,336</b>	<b>0</b>	<b>(1,234)</b>	<b>291,866</b>

**Endowment Funds**

<b>Fund Name</b>	<b>Opening Balance £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Revaluation gains (losses) £</b>	<b>Closing Balance £</b>
Gift of C C Posnett	92,863				5,126	97,989
Various Bequests	50,196				2,770	52,966
<b>Totals</b>	<b>143,059</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,896</b>	<b>150,955</b>

**Fund purposes**

A number of previously designated funds have been applied for their respective purposes within the new development project. The remaining designated and restricted funds are:

Major Repairs Fund : For major repairs and maintenance of both The New Room and 4-5 Charles Street.

Broadmead Courtyard Fund : For ongoing development and maintenance of the Broadmead Courtyard.

Development Fund : For HLF project costs relating to the new building in the Horsefair Courtyard.

Chapel Appeal and Maintenance: For use in maintaining and improving the premises.

**The New Room/John Wesley's Chapel**  
**Year ended 31st August 2018**  
**Notes to the accounts**

**20. Detailed analysis of individual fund movements (comparative) 2016/17**

**Unrestricted Funds**

<b>Fund Name</b>	<b>Opening Balance £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Revaluation gains (losses) £</b>	<b>Closing Balance £</b>
General	73,263	152,022	149,263		-185	75,837
<b>Totals</b>	<b>73,263</b>	<b>152,022</b>	<b>149,263</b>	<b>0</b>	<b>-185</b>	<b>75,837</b>

**Designated Funds (reclassified from restricted)**

<b>Fund Name</b>	<b>Opening Balance £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Revaluation gains (losses) £</b>	<b>Closing Balance £</b>
District	10,591					10,591
New Room Museum	2,444	22	864			1,602
Museum of Hymnody	11,550		1,031			10,519
Signage	1,455		1,455			0
New Publications	5,000		3,140			1,860
Library/Archive	10,000	2,101	1,234			10,867
Major Repairs	62,325		36,012			26,313
Broadmead Courtyard	9,510					9,510
<b>Totals</b>	<b>112,875</b>	<b>2,123</b>	<b>43,736</b>	<b>0</b>	<b>0</b>	<b>71,262</b>

**Restricted Funds**

<b>Fund Name</b>	<b>Opening Balance £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Revaluation gains (losses) £</b>	<b>Closing Balance £</b>
Development	1,006,975	1,572,070	2,276,979			302,066
Chapel Appeal and Maintenance	166,252				-1,721	164,531
<b>Totals</b>	<b>1,173,227</b>	<b>1,572,070</b>	<b>2,276,979</b>	<b>0</b>	<b>-1,721</b>	<b>466,597</b>

**Endowment Funds**

<b>Fund Name</b>	<b>Opening Balance £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Revaluation gains (losses) £</b>	<b>Closing Balance £</b>
Gift of C C Posnett	83,959				8,904	92,863
Various Bequests	45,383				4,813	50,196
<b>Totals</b>	<b>129,342</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,717</b>	<b>143,059</b>



**The New Room/John Wesley's Chapel**  
**Year ended 31st August 2018**  
**Notes to the accounts**

**21. Analysis of assets between funds (comparative) 2016/17**

<i><b>Fund Name</b></i>	<i><b>Unrestricted Funds</b></i>	<i><b>Designated Funds</b></i>	<i><b>Restricted Funds</b></i>	<i><b>Endowment Funds</b></i>	<i><b>Total</b></i>
<i>Fixed assets</i>	0	0	0	143,059	143,059
<i>Cash and current investments</i>	91,019	71,262	418,919	0	581,200
<i>Other current assets/liabilities</i>	11,601	0	100,906	0	112,507
<i>Creditors (due in under 1 year)</i>	26,783	0	53,228	0	80,011
<i>Provisions/pensions</i>	0	0	0	0	0
<i>Totals</i>	75,837	71,262	466,597	143,059	756,755