

NORTHERN LIGHTS METROPOLITAN COMMUNITY CHURCH

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2019

Charity Number 1093009

Northern Lights Metropolitan Community Church

Trustee Annual Report For the Year Ended 31 March 2019

The trustees are pleased to present their annual report together with financial statements of the charity for the year ended 31 March 2019.

The financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Reference and administration details

Charity name:	Northern Lights Metropolitan Community Church
Registered charity number:	1093009
Charity's principal address:	St James URC Northumberland Road Newcastle upon Tyne NE1 8JF

The trustees who served during the period and up to the date of this report were

Miss C.L. West - Chair
Dr A Chapman - Secretary
Mr James Davies - Treasurer
Miss L Millar
Rev Judith Carpenter

Independent Examiners:
Michelle Wright
Ellison Services Limited,
Higham House,
Higham Place,
Newcastle upon Tyne,
NE1 8AF

Structure, governance and management

Northern Lights Metropolitan Community Church is a registered charity (no.1093009) and was registered on 17th July 2002.

The charity is governed by its constitution adopted on 7th October 2001 and amended on 21st April 2002, 10th July 2005, 31st January 2016 and the 21st October 2018.

Trustees are elected at the Annual Congregational Meeting of the charity and stand for a period of three years. Trustees can also be co-opted as required. On the 21st October 2018 Rev. Judith Carpenter was elected to the Board of Trustees at a Special Congregational Meeting. Miss Lorraine Millar stood down from the Board on the 9th January 2019 in accordance with our constitution to pursue the next step in ordination.

Objectives and activities

The charitable objects of Northern Lights Metropolitan Community Church (NLMCC) are to advance the Christian religion by proclaiming the gospel of Jesus Christ in Newcastle and elsewhere by providing Christian fellowship, worship, witness, action and service.

The main activities undertaken for the public benefit during the year have been as follows:-

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- Weekly Sunday worship services were held.
- Offered different opportunities for worship during the week. Those were open to all.
- We took part in Newcastle Pride 2018 and again led the Candle Lit Vigil for the event as well as contributing to the Family Zone through the Family Service.
- We have taken offerings of food goods, clothes and financial donations to support local and international charities.
- We have arranged various social events throughout the year.
- The monthly Family Service continued through the year. This is held on a Sunday morning and has been very well attended both by families already in the church and families who have had no involvement before.
- We continued to work with MESMAC running "Rainbow Home". This is a monthly opportunity for LGBT asylum seekers to meet in an informal gathering to receive support, both practical and emotional, as well as a general time of fellowship.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Achievements and performance

Achievements during the year were as follows:-

Northern Lights MCC has continued to develop in our ministry to our community and attract new Members and regular and less-regular attendees. During 2018-19 Northern Lights MCC has continued to seek a new PPastor. Following the offer to the previous candidate in 2018 ultimately not happening a new committee to seek a PPastor was established in October 2018 with the advert for the position being published in early 2019. This was not completed during the 2018-19 period although subsequently an offer was made and accepted by the Reverend Ronnie Rowbotham.

Despite the absence of a permanent Pastor Northern Lights Metropolitan Community Church has continued to deliver high-quality worship, spiritual growth and social justice activities, working with partners as appropriate. In delivering this we have been very fortunate to be able to draw on the extensive skills and generous commitment of our Members and congregation and friends whose on-going dedication, commitment and generosity make our mission possible. That this has enabled a number of our community to further develop their own capacity and confidence is a positive and heart-warming outcome of this period of uncertainty. The Church has continued to grow more diverse and we have been pleased to see a growth in the representation from both the Trans community and people from a range of ethnic backgrounds within our Membership and congregation. This is a blessing and shows an important area for the Church to further develop and ensure that we are meeting the needs of all our Members.

In accordance with our statutes, the Board completed a review of the Membership with a increase during the year leading to 25 active Members of the Church. This does not include a large number of our congregation and community who do not wish to or are not currently eligible to be full Members of the Church. The increase in Membership is a positive trend but does not include all those active and valued as part of our community.

Northern Lights MCC sets out its aspirations for the future and how it will achieve these in a series of five year plans. A new five year plan was developed in 2018-19 and was approved at the Annual Congregational Meeting in April 2019. This was designed with the congregation through a number of special sessions at the weekends and evenings to allow all Members to feed in their thoughts, a series of sessions within the services and a survey to understand the views of the congregation, Members and others involved with the Church. The resulting plan sets out how we as a Church intend to live up to and embody our ethos and faith in practical ways. A particularly important theme throughout the year has been to reflect on levels of

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privilege and unconscious bias in leadership and how we can address these and make sure we are fully representative of our community.

The Church has benefitted from and helped develop leadership within the congregation as we seek to empower all Members and friends of the Church to take a leading role which matches their gifts and interest.

Despite the on-going absence of a Pastor, Northern Lights MCC has continued to be active across a range of spiritual and social activities within the Church and sought to engage with others within the area and the wider LGBT community maintaining a high-quality of worship and networks.

Financial review

With the absence of a permanent paid Pastor the Church finances has been comparatively quiet, with the resulting lack of salary costs contributing to a strengthening of the reserves. However we are conscious of the importance of continuing to ensure faithful stewardship of our resources to support our Members, congregation and community. Giving has continued to be constrained by the ongoing wider financial constraints due to economic challenges in the local area and the expected reductions due to the interregnum and lower spending.

The charity has therefore ended the year in a positive position with an increased cash balance and an outstanding gift aid claim to be submitted for the 2018/9 financial year. The Church was therefore able to strengthen the reserves available through the deposit account with no outstanding loans or debts.

The Board has been very conscious of the increasing resources due to low expenditure and has sought to balance prudent saving for the future Pastor position and additional activities with sensible, faith-driven spending in the present. In 2018-19 the Board has therefore invested in updating equipment and re-stocking supplies particularly looking at the AV equipment. We have also sought to support the community and by supporting activities to link to other MCC communities through subsidizing a trip to Glasgow, a Christmas dinner and supporting an additional person to attend the General Conference in 2019 (2019-2020 financial year).

At the end of the Financial Year 2018/9 Northern Lights MCC was linked to two accounts which stood at:

- CAF Bank (Current Account) - £5,332.01
- Epworth (Deposit Account) - £38,802.50 (with £11,000 transferred in to account during the year and £174.50 in interest earned).

Our principal source of funding remains from the Members and friends of Northern Lights MCC. The largest areas of expenditure are for hire of an office and rooms at St James's United Reform Church and travel costs for staff. Staffing costs were considerably reduced in the year due to the absence of a Pastor.

This gives the charity a base and human resources aid the advancement of our purpose.

Trustees responsibilities in respect of the financial statements

Charity law 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 at the year end and of its incoming resources and resources expended during the year. In preparing those financial statements the Trustees are required to

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed and

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Trustee Annual Report For the Year Ended 31 March 2019

- Prepare financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for keeping accounting records which disclose at any time with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on 26/11/..... 2019 and signed on their behalf by 

James Davies
Treasurer (2018/19)

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2019

I report on the financial statements of Northern Lights Metropolitan Community Church for the year ended 31 March 2019, which are set out on pages 6 to 11.

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 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with 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 the 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 statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have 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.

Michelle Wright
Ellison Services Limited
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 05/12/2019

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RECEIPTS AND PAYMENTS ACCOUNTS

For the year ended 31 March 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Receipts					
Donations and grants	3	26,377	-	26,377	29,565
Fundraising events	4	12	-	12	10
Bank interest	5	135	-	135	73
Total Receipts		26,524	-	26,524	29,648
Payments					
Charitable expenditure	6	18,447	-	18,447	23,564
Governance costs	7	865	-	865	841
Total Payments		19,312	-	19,312	24,404
Net income/(expenditure) and net movement of funds		7,212	-	7,212	5,244
Opening cash at bank and in hand		36,722	200	36,922	31,679
Closing cash at bank and in hand		43,934	200	44,135	36,923

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 8 to 11 form an integral part of these accounts.

STATEMENT OF ASSETS AND LIABILITIES

As at 31 March 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Cash funds					
Cash at bank and in hand	11	43,935	200	44,135	53,080
Liabilities	12			630	733

The notes on pages 8 to 11 form an integral part of these accounts.

These financial statements were approved by the Board on:

26/11/2019

and are signed on its behalf by:

James Davies
Treasurer

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

The accounts have been prepared using the receipts and payments basis. An audit is not required by the Charity's constitution and has not been requested by the Trustees.

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
3 Donations and grants				
Committed giving	17,997	-	17,997	20,403
Cash offerings	2,273	-	2,273	1,465
Gift aid	5,371	-	5,371	7,161
Donations/designated gifts	336	-	336	5
UFMCC Offerings	210	-	210	91
Contingency fund (other/misc)	190	-	190	440
	<u>26,377</u>	<u>-</u>	<u>26,377</u>	<u>29,565</u>
4 Fundraising events				
Offerings / fundraisers	12	-	12	10
	<u>12</u>	<u>-</u>	<u>12</u>	<u>10</u>
5 Investment on deposit account				
Deposit account interest	135	-	135	73
	<u>135</u>	<u>-</u>	<u>135</u>	<u>73</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

Analysis of resources expended

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
6 Charitable expenditure				
Rent	7,380	-	7,380	7,380
Equipment and supplies	147	-	147	454
Music and video licence	239	-	239	234
Family Service	102	-	102	70
Advertising	344	-	344	340
Pride	86	-	86	48
Website	226	-	226	-
UFMCC special offerings	210	-	210	91
Partnership in Ministry/Tithe	2,421	-	2,421	2,738
Hardship fund	90	-	90	-
Rainbow Home	900	-	900	-
Church library	114	-	114	27
Conference	2,703	-	2,703	176
Pastors pension/slipend	-	-	-	38
Preacher expenses	218	-	218	-
Pastoral appointment	539	-	539	-
Office costs	643	-	643	160
Lunches and socials	653	-	653	18
Insurance	478	-	478	428
Telephone	830	-	830	863
Staff travel expenses	-	-	-	569
Payroll charges	-	-	-	424
Bank charges	60	-	60	60
Other expenses	63	-	63	2,079
Transfer to Rainbow Homes	-	-	-	7,366
	18,447	-	18,447	23,564
7 Governance costs				
Board costs	265	-	265	289
Independent examiner's fees for reporting on the accounts	600	-	600	552
	865	-	865	841
8 Fees for examination of the accounts				
			2019 £	2018 £
Independent examiner's fees for reporting on the accounts			630	600
			630	1,024

There were no other fees paid to the examiner (2018: £600)

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

9 Analysis of staff costs and the cost of key management personnel

During the year there were no paid staff.

10 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

11 Cash at bank and in hand

	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
Cash at bank	5,132	200	5,332	14,071
Deposit account	38,803	-	38,803	17,555
Cash in hand	-	-	-	53
	<u>43,935</u>	<u>200</u>	<u>44,135</u>	<u>31,678</u>

12 Liabilities at the period end

	2019 £	2018 £
Independent examination of accounts	630	540
Payroll charges	-	193
	<u>630</u>	<u>733</u>

13 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	36,722	26,524	(19,312)	-	43,934
Totals	<u>36,722</u>	<u>26,524</u>	<u>(19,312)</u>	<u>-</u>	<u>43,934</u>

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' of the charity

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

Analysis of movement in restricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
Building fund	200	-	-	-	200
Totals	200	-	-	-	200