



Strathmore Road **Methodist** Church

Trustees' Annual Report and Accounts
Year ended 31 August 2022

Registered Charity Number 1179206

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1. Legal and Administration Information

a. Trustees and Responsibilities (at date of approval)

Ex-officio Members of Church Council

Rev. Ann Varker..... Minister
 Gillian Johnson..... Pastoral Committee Secretary
 Jill Catterall..... Church Treasurer
 Keith Crulley..... Youth Worker
 Sue Robson..... Church Council Secretary

Co-opted Members of Church Council

Trevor Peacock..... Property Steward
 Colin Robson..... Property and Finance Committee Chair
 William Gray..... Children and Youth Matters Convenor
 Keith Stamp Eco Church Co-ordinator

Leadership Stewards

James Clark
 Linda Innes
 David Johnson
 Helen Johnson
 Bryn Lauder
 Lesley Stamp

Chopwell Stewards

Lilly Collinson
 Mary Glease
 Eileen Wright

Church Member Representatives to Church Council

Ian Holmes
 Rachel Smith
 Jim Clark
 Evelyn Kane
 Sandra Dixon
 Andy Innes
 Ryan Heslop
 Ranjith Rosa
 David Robson
 Eunice Peacock
 Hannah Dawson
 Simon Mackie
 Christine Middlemiss

b. Principal Address

Strathmore Road Methodist Church
Strathmore Road
Rowlands Gill
NE39 1HX

c. Property Custodian Trustees

The Trustees for Methodist
Church Purposes
Central Buildings
Oldham Street
Manchester
M1 5JQ

d. Bankers

Lloyds Bank
44 Front Street
Whickham
Newcastle upon Tyne
NE16 4DS

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

CAF Bank
5 Kings Hill Avenue
Kings Hill West
Malling
ME194TA

The Trustees for
Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 5JQ

2. Structure, Governance and Management

The Methodist Church is said to have been created after John Wesley's conversion on 24 May 1738 and is a Free Church. Strathmore Road Methodist Church (SRMC) is part of the South West Tyneside Circuit and Newcastle upon Tyne District of The Methodist Church, the governing body of which is the annual conference of The Methodist Church. The Methodist Church Act 1976 gives the authority under which The Methodist Church acts. The constitution, practice and discipline of The Methodist Church, together with The Deed of Union (Act of 1929 adopted 1932), govern the objectives and activities of The Methodist Church.

In general, The Methodist Church is excepted from the need to register as a charity by the combined effects of Section 46(4) (A) of The Charities Act 1993 and Paragraph 4(2)(C) of the Charities (exception from registration) Regulations 1996 as amended by Statutory Instrument 2014 No 242. Strathmore Road Methodist Church ("the Church") however, registered as a separate Registered Charity, number 1179206, in England and Wales, effective from 16 July 2018.

The Church's Managing Trustees listed above, are all lay people, except for the Minister (Rev. Ann Varker), who is ordained by The Methodist Church and stationed to the South West Tyneside Circuit. The Youth Worker (Keith Crulley) is employed by SRMC.

The Managing Trustees meet at least three times per year as the Church Council. They take all major decisions and delegate some of their day-to-day responsibility to a Leadership Team, all of whom are Trustees. The Church Council is chaired by the Minister.

The Trustees who have served during the year and since the year-end are appointed annually by the Church, by the general meeting, or by being ex-officio. The Church's day-to-day activities are managed by those appointed to do so by the Church Council, including the Leadership Team, the Pastoral Committee, the Finance & Property Committee, the Worship Team and the Youth Worker.

During the year ended 31 August 2022 and up to the date of approval of the Report and accounts, the following changes in Trustees took place:

- Appointment effective from 19 October 2021 – Colin Robson
- Appointment effective from 24 April 2022 – William Gray
- Appointment effective from 17 June 2022 – Sue Robson
- Appointment effective from 20 October 2022 – Bryn Lauder
- Appointment effective from 20 October 2022 – Keith Stamp

- Retirement effective from 16 February 2022 – Ali Clamp
- Retirement effective from 24 April 2022 – Fiona Buckley
- Retirement effective from 24 April 2022 – Deborah Proud
- Retirement effective from 19 October 2022 – Kris Manuel

3. Objectives and Mission

SRMC seeks to be a loving, welcoming and active Christian community, serving and sharing with the world around us, following the example and teaching of Jesus Christ. Currently, we serve the world and community by providing premises for church, community and charitable use, as well as working with children and youth, refugees, the elderly and the socially disadvantaged.

Section 4 of The Methodist Church Act 1976 states:

The purposes of The Methodist Church are and shall be, purposes deemed to have been since the date of union the advancement of

- a) the Christian faith in accordance with the doctrinal standards and the 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 being a 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.

SRMC Mission Statement

**With the help of the Holy Spirit, we seek to live our lives as a loving community with each other
and the world around us,
following the example and teaching of Jesus Christ and worshipping God.**

As a church we seek to be:

A loving community to

- Offer pastoral support, fellowship and prayer to all recognising that it is an expression of God's love
- Be a welcoming church that promotes a sense of belonging and values every member
- Share the good news of God's love made known through Jesus Christ with all ages
- Be aware of the needs that arise in the local community and wider world and respond as we are able
- Engage with other Churches and organisations to promote justice and peace and bring good to our world as part of God's mission

Following Jesus to:

- Help people grow and sustain their faith through Biblical teaching, fellowship and prayer
- Encourage everyone to use their gifts and exercise their ministry in the church and in daily life
- Provide opportunities for people of different stages of faith to explore the way of Christ
- Promote a pattern of whole life discipleship that recognises that being a Christian impacts all aspects of life and calls for responsible stewardship of money, time and resources
- Enable the nurture and development of children and young people in the Christian Faith

Worshipping God:

- Worship in ways that are honouring to God, that help us focus upon Jesus Christ and increase our awareness of his presence through the Holy Spirit
- Develop opportunities for prayer and spending time seeking God
- Provide worship that is welcoming, family friendly, and accessible to people of different abilities
- Encourage participation in worship, recognising and utilising the talents and gifts of the congregation
- Develop forms of worship that are relevant to the world in which we live, that are uplifting, challenging and of good quality.



Strathmore Road Methodist Church in Rowlands Gill joined with Chopwell Methodist Church on the 1 September 2019 to become one church on two sites. The joint churches have sought to explore together what it means to be one church family, with two centres of mission. The Church is now seeking to develop its mission and witness across the Derwent Valley. In so doing, we encourage lifelong learning in the Christian faith and seek to provide opportunities for people to develop their faith and understanding.

The Church Council of SRMC, meeting on 21 June 2022, gave consent to the solemnization of marriages of same-sex couples at the Church. An application is in process to register the building situated at Strathmore Road, Rowlands Gill, for the marriage of same-sex couples.



Strathmore Road Methodist Church at Chopwell

4. Activities and Achievements

a) Worship Activities and Groups for All

The Church currently has 152 members, encompassing all ages, including a thriving ministry among families, children and youth.

Within the Church people appreciate different forms of worship and we value being able to offer a diversity of styles in our services, to enable people to encounter the living God and express their worship.

Our Sunday morning services at Rowlands Gill continue to be geared towards all ages and use contemporary music, media and performing arts. Most Sundays we have a short time of worship together before the children and young people move into Sunday Club where there are groups for children aged 4 to 16. Family services are held throughout the year when all ages worship together.

At the same time, a morning service is offered at Chopwell, which is more traditional in style. This is led once a month by the minister with other Sundays led by Circuit preachers.

The Sunday evening worship at Rowlands Gill aims to utilise the best in traditional Methodist worship with the aid of a pipe organ. Holy Communion is celebrated on a monthly basis in all three services.



Discipleship Groups

We encourage lifelong learning in the Christian faith and seek to provide opportunities for people to develop their faith and understanding.

We have small group meetings which offer encouragement, fellowship, Bible study and prayer. Where a series is being followed in the Sunday services, the discipleship groups will often follow the series with Bible studies. At other times groups will decide on the topic to study.

In addition, there is also a pastoral group which meets informally for fellowship and support.



Prayer Chain

A number of years ago a WhatsApp group of members was started to provide prayer support to those in need, ill health and difficult situations. Prayer needs are identified and information is shared to the group, with strictest confidence observed. Members pray individually in their own homes. Regular responses are shared. The prayer chain has provided great comfort to many people and we hope it will continue.

Strathmore Road Methodist Church at Chopwell

Chopwell Methodist Church has a traditional Sunday worship where there is a small regular congregation, and we welcome everyone. The Wednesday Morning Coffee Pop-In is well attended as is a regular Monthly Coffee Morning. A 'Quiet garden' has been developed in the church grounds, with the installation of raised flower beds and living willow hedging. This is used by members of the church and community for quiet reflection.

b) Children and Youth Group Activities for All



The Church has a well-established children, youth and families ministry, based around a number of regular core groups, as well as a number of different one-off events. Our activities enable us as a church to reach children ranging from new-born up to 18 years old. Our regular activities include Sunday Club (a weekly club for children of all ages taking place alongside Sunday morning worship), Sparks (a monthly Saturday morning club for children aged 5-10) and several groups aimed at young people.

Sunday Club

Sunday Club provides two groups for ages 4-18 on a Sunday morning split into 'Bubbles' and Xstream'. Everybody joins in the service together then the children go into their own groups for games, bible

stories, crafts and chat. It is a lively and thriving group that enjoy getting stuck into the theme of the day. Once a month they meet together for 'forest church' around a campfire, where the addition of marshmallows and hot chocolate are a welcome treat. They have enjoyed getting to know the church grounds and helping with the Church's commitment to 'eco-church' status.



Sparks

Sparks is a group for children aged 5-10, held every second Saturday of the month during term time. We meet for plenty of games, crafts, snacks and lots of opportunities to 'pie' leaders in the face! Each week there is a visit from our resident storyteller, who brings us a new and exciting Bible story. Sparks is an afternoon of fun and noise for kids in the church main hall and an afternoon of peace and quiet, the Saturday papers and a freshly brewed tea or coffee for the parents in the small hall. Sparks also hosts a number of different events throughout the year, including a Christmas party and Summer BBQ. During the Covid-19 pandemic we have held Sparks get togethers online.

Rock Solid

Rock Solid meets every other Sunday evening and is for boys and girls aged 9 to 13. A fun-packed evening of games, discussion, competitions and thought about the big issues that affect life friends, parents, school, the future and what God has to say about them. They also enjoy regular socials like movie nights.

ID

ID is a group for boys aged 13 and over. It takes place on alternate Sundays to Rock Solid. ID is a great opportunity for youngsters to hang out, play games as well as chat and discuss issues that affect their lives. They got used to meeting around a campfire during Covid restrictions and have kept this as a regular feature as part of their activities.

Girls Group

Girls group is a new group for girls aged 9-14 meeting on Sunday nights every other week. They play games, chat, pray, get to know the Bible and enjoy keeping their own journals of their faith journeys. They are lively bunch who enjoy looking at creative ways to pray and worship.



c) Other Activities for the Church and Local Community

Little Gems

Little Gems has been running for four years now and has become a huge success. Our group is community focused and is made up of parents from the local area with their babies and toddlers. We meet fortnightly on Wednesday mornings in term time for 2 hours of play, music, coffee and crafts. The aim of Little Gems is not only to allow our children to socialise and develop new skills, but for parents to relax, chat and compare joys and troubles on all things parenting! Due to the popularity and growth of the group, with an average of 25 children per week, we meet in the large hall with hot drinks and snacks being served in the small hall. We have a clothes swap rail and parents frequently exchange toys and books. We have a superb team of volunteers from SRMC who support with set up, set down, welcoming, serving drinks and engaging in conversations with our lovely 'little gems'.



Bridges

The Bridges Group was formed in 1992. It aims to create a bridge between the Church and the local community. Over the years the group has organised many community events and festivals. Among the Church's ongoing community projects - the Drop-in for local refugee families, Community Football and Holiday Fun scheme for local children, all originated from the Bridges Group. Many fundraising events have been organised for the benefit of various charities.

This year began with our Annual Walk, when 50 people enjoyed walking along the Northumberland coast and visiting Bamburgh Castle. Our traditional post-Christmas Family Walk took place in the local forest park but had to be scaled back due to ongoing Covid concerns. Having missed out on the Bridges church Family Holiday in 2021 because of lockdown, over 70 people safely enjoyed a week-long holiday together in the Lake District in 2022.

Getting people back together was the focus in the Spring and Summer with a party night in the local Community Centre and a Picnic for 100 people including local Syrian & Ukrainian families.

The group continues to prioritise on building and maintaining relationships with the wider Church family and the local community.

Men's Breakfast group

The Men's Breakfast group has been meeting for more than 30 years. It offers the men of the Church opportunities to get together, invite friends and socialise around a varied programme of events and activities. Meeting monthly over an early Saturday morning breakfast or a pint in a local pub on Friday evenings, activities include speakers from charities and other organisations, visits to places of interest, local history and countryside walks. Around 15 to 18 people regularly attend each month.



Newcastle Victorian Tunnel

This past year's activities have once again been curtailed due to lockdowns and Covid-19 restrictions however, meeting online, the group enjoyed presentations on mission work in Kenya, an Arctic Circle adventure and a local history talk.

A virtual tour of Newcastle's old inns and taverns provided the annual Christmas get together. On the relaxation of Covid restrictions, the group were able to meet outdoors with a local village heritage walk and a visit to a nearby community garden.

Open Doors

This began over 40 years ago as an open and ecumenical group for women of all ages from Rowlands Gill and the surrounding area, to develop friendship and fellowship by sharing different Christian viewpoints and common concerns in a friendly and caring atmosphere. Open Doors is a welcoming fellowship for women and meets on Friday mornings during school term time. There is a varied programme with speakers (some informative, some inspirational) and activities (sometimes creative, sometimes recreational). We meet informally and chat over coffee, with no fixed membership as such - friends drop in and out as often or as rarely as they wish.

Ladies Club

The Ladies Club first met in 1962 and continues to meet now on a monthly basis on the second Friday of each month. Speakers are invited from various walks of life to address a well-attended number of friends in the group. This year the Ladies Club celebrated their 60 years of fellowship and friendship with a special Songs of Praise Service on 15 May, followed by refreshments.

Spread Drama Group

Spread is a performing arts group that meets weekly during term time. The aim is to provide an inclusive drama group rooted in the belief that drama enables confidence building, socialising, and aids mental health. The group is intergenerational and is accessible for all. Young learn from old and old from young. They perform at least one production a year, including an affordable pantomime for the community.

Church Community WhatsApp

This group continues to offer support and friendship in an instant, direct way. The space continues to be used for prayers, news, sharing photographs and experiences, chit-chat and supportive encouragement. Both clergy and laity use the group, and it connects members across a wide age span and background. It has been a lifeline to those who are restricted to their homes particularly during times when we have been unable to meet face to face. This relatively new method of contact is something we are now actively seeking to expand.

The Way Weekend

In October, SRMC hosted a Circuit event named THE WAY. Taking inspiration from the bible passage in Acts which tells of the first followers of Christ who followed 'the way'. This was a weekend of Worship, Prayer, Preaching, Teaching and Fellowship.

The weekend was made up of main worship meetings, talks and seminars led by both local and visiting speakers from other churches and denominations. As well as providing space to discuss and share our faith walk with each other, it was a wonderful weekend of drawing closer to God as a family and spending time in His presence together. A full children's programme was also arranged and facilitated by Circuit Children and Youth Workers.

The Weekend was well attended and very much enjoyed by everyone who came along.



d) Other Activities to Help and Support the Local Community

Warm Spaces

Gateshead Council have encouraged local organisations to offer their accommodation as Warm Spaces in order to support those struggling with the cost of living crisis. The warm spaces will be places where people can come and receive a warm welcome, get warm, have a free hot drink, maybe grab a snack and charge their phone. SRMC was one of the first to respond to this initiative and has been accepted as part of the scheme, which will be publicised locally and on the Council website. From October 2022 we look forward to developing our offer to meet the needs of our local community.

**PROVIDING SPACES WITH
RESPECT, DIGNITY & WARMTH**



Rescued Food Market

Since February 2021 a weekly 'rescued food' market has operated from the Church halls. This offers surplus food collected from supermarkets which was initially free to visitors, however a financial donation of £3 is now encouraged to defray ongoing costs. The market is open to anyone and is attended by up to 50 people each week. It attracts a wide range of customers from those in financial difficulties, to people concerned about the environment and wishing to reduce food waste.

The market is run in partnership with *The Pickle Palace* a local community interest group which has operated in the area for about 5 years. A number of volunteers from the Church and the wider community are involved in collecting food, welcoming customers, running the market, and clearing away.



Pay as You Feel Café

Our Church Café is open on Mondays (excluding bank holidays) from 9am until 1pm. It is a Pay as you Feel Café where all visitors receive a warm welcome. We serve cereals, pastries, cake, biscuits, soup, tea, coffee and cold drinks in a pleasant room overlooking the garden. Food choices vary according to what is available from our rescued food market.

The café operates alongside the market and a Citizens' Advice Drop-In each Monday morning.

Partnership Churches

Along with our partnership churches ie. St Barnabas and St Patricks we are honoured to work and support our friends from Syria and more recently the Ukraine.

Syrian refugee `drop in`

The Drop In meets weekly on a Tuesday morning at our neighbours St. Barnabas Church Hall and is run by volunteers from both Strathmore Road and St. Barnabas Churches. We aim to befriend and support the Syrian refugees living in the area. Our support takes the form of familiarising the families with the local community, bus travel and surrounding amenities, also encouraging English conversation to aid integration and independence. All our families are adapting to their change in environment at their own pace. We are aware that the families who have been here the longest require less support now and in turn, offer relevant support to those that have arrived more recently.

Ukrainian Refugee `drop in`

The Drop-in started in May 2022 and met weekly on Wednesday mornings at St Barnabas church hall and is run by volunteers from both Strathmore Road and St. Barnabas Churches. In the latter part of 2022 the Drop-in moved to a fortnightly activity. It has been attended by several of the Refugee support team from Gateshead Metropolitan Borough Council with the aim of supporting Ukrainian refugees in matters such as employment, housing, school placements and accessing services. Along with volunteers, they help the Refugees familiarise themselves with their local surroundings. Some of the Refugee hosts also attend. We aim to provide a comfortable and friendly environment for all that attend.

Summer “Holiday Fun”

This group originated from the “Holiday Hunger” concerns over 6 years ago. We provided meals and activities for local disadvantaged children during the summer school holiday period when free school meals were not available. We aim to befriend and build relationships with the families of those children attending. Food bank vouchers are available each week.

We have run this activity now for 7 years, missing one year due to Covid. It runs weekly on Wednesdays during the summer holidays and is held at Strathmore Road. This year we had 50 children attend. There were 48 volunteers sought from all the churches in Rowlands Gill. We provided two meals each day, breakfast and a two-course lunch. We aim to provide healthy meals to include several portions of fresh fruit and vegetables. The activities are enriching and aim to encourage exercise and well-being. This year we organised outings on three of the days.

Football

Our community football project has proved extremely popular again this year. Partnering with Ambassadors Football we run each Thursday evening during the lighter nights April to October, providing age-appropriate sessions for children aged 4 and up. As well as providing a healthy physical activity the sessions help to promote community cohesion with groups of parents and carers chatting on the side lines as the games are in progress.

This year the Highfield Community House opened and the football sessions provided a great opportunity for the staff team to meet local children and begin to build relationships. On some weeks we had up to 60 children partaking. The young people appreciate the activity and some are now coming to other Church-based events, such as Rock Solid and I.D.

Church Redevelopment Project

The year started with our celebration weekend in September 2021 to formally open the buildings and to celebrate the very special achievements. The event was well attended and it was great to see all areas of the building and grounds in use. For some people it was their first opportunity to see the building post Covid. Feedback from those attending was extremely positive.

As the year progressed the contractor has been addressing identified defects and SRMC has been completing some of the Direct Works items that had been identified to be completed locally, outwith the building contract. The final sum for the contractors account was agreed and settled with a final retention payment to be made once all the contractor defects have been made good. With some small elements of work to complete the development account has not yet been finalised but it is now evident that the project will complete within budget.



During the year user group gradually began returning to the building and attendances began to grow slowly towards pre Covid levels.

Some new groups have now started using the building and it is wonderful to see many of the facilities in use, the flexibility being utilised and the building beginning to realise some of its potential. Our aim was to provide 21st Century facilities in order to serve our community and enable our mission to grow. Only time will tell if we have succeeded however, the early signs are encouraging. Spaces can be booked online via our website.

e) Other activities wider than the local Community

The Church has a growing awareness of being part of a global community.



Eco-Church

Responding to our stewardship of the planet.

SRMC takes its responsibility for the environment very seriously. Eco considerations impact all areas of church life and we monitor our performance and improvements by our membership of the A Rocha Eco Church Scheme.

Eco Church is an ecumenical scheme which assesses environmental performance across a number of areas of Church life:

- Worship and Teaching
- Building
- Land and Gardens
- Community
- Lifestyle



Since achieving a Bronze Award in February 2020 further improvements have been made in all areas. Here are some examples:

- Climate Sunday and Eco Church services are held at least annually and prior to COP 26 we held a prayer vigil and attended demonstrations and prayer walks
- The redevelopment of the building in 2020 saw the installation of more efficient heating and lighting
- An area of the garden has been set aside for re-wilding and more pollinator friendly planting completed
- A weekly 'rescued food' market and a pay as you feel café was set up in 2021 to save waste food from landfill
- We share ideas, tips and support and encourage each other to live responsibly via our WhatsApp group and newsletter

We were delighted to receive a Silver Award in May 2022 and look forward to further improvements as we 'Go for Gold'

South Africa

Our Church community continues to support the work of Ebenezer Mission in Izingolweni, South Africa where all aspects of their work are growing. More and more people are attending worship and Bible study and the work among the young people is also thriving. The creche now has full time teachers and numbers are rising rapidly. The after-school homework club which helps young people with their schoolwork and offers them a meal, has been very successful. One of the young men has now been accepted for a place on a college course which will lead to an Engineering degree. This involved him having to move away from Izingolweni to be within traveling distance of the college and a donation was sent from our Church to help support him in his new venture.

5. Financial Review

The Accounts for the year ended 31 August 2022 are set out at the end of the Trustees' Report. The Church funds are made up of a general unrestricted fund, a restricted fund – the Benevolent Fund, an endowment fund – the Development Fund, and the funds of three Internal Organisations – the Children & Youth Project, Bridges and the Spread Drama Group. Only the unrestricted fund is available to meet the day to day running costs of the Church.

Unrestricted fund

During the year ended 31 August 2022 there was a deficit of payments over receipts of £3,056 (2021: £1,418) before internal transfers from the Development Fund of £1,491 and Bridges of £405, totalling £1,896 (2021: transfer to the Children & Youth Project of £5,000). Bills were paid promptly and the outstanding liabilities at the year-end (ie. invoices relating to before the year-end paid after the year-end) amounted to £89 (2021: £129). Collections and funds raised specifically for other charities or external organisations are excluded from both receipts and payments.

The Finance and Property Committee reviews the budget each June for the following year and the net deficit of £3,056 compared favourably with the forecast deficit at the start of the year of £6,600 (before internal transfers), despite the continuing impact of the Covid-19 pandemic. The reasons for the lower deficit were increased giving and a number of fundraising events, together with cost savings on property maintenance and spreading of insurance costs.

Offerings and tax recovered via gift aid totalled £65,235 which was higher than last year's total of £60,800. Letting receipts from hiring out the premises improved from £3,260 last year to £6,021 this year. Last year's lettings were affected by the closure of the Church buildings for the redevelopment from September to December 2020 and also restrictions due to the pandemic.

Within payments from the unrestricted fund there are three major areas over which the Church has little control (i) the Circuit assessment (ii) property repairs and (iii) utility bills. Repairs at Strathmore Road were kept to a minimum this year following the redevelopment of the building. Utility costs are monitored closely and steps taken to obtain the most cost-effective contracts. We wish to record our grateful thanks to all those who work tirelessly to carry out repairs and maintenance to the Church buildings and grounds and keep costs to a minimum.

Restricted Fund

The Benevolent Fund is available to make small payments at the Minister's discretion in cases of individual hardship or poverty. There was one receipt of £50 and payments totalling £52, resulting in a balance carried forward of £178 (2021: £180).

Endowment Fund

The purpose of the Development Fund is described above under 'Church Redevelopment Project'. In accordance with guidance issued by the Methodist Church in July 2019, "Accounting for tangible fixed assets", donations intended to provide an asset for long-term use ie. a fixed asset, should be classified as an expendable endowment and not a restricted income fund. Consequently, the Development Fund has been classified as an expendable endowment in the accounts. During the year, the fund received £5,627 (2021: £173,995) and made payments of £10,404 (2021: £461,967) and a transfer of £1,491 (2021: £0) to the Church unrestricted funds, being the refund from the builder of energy costs used during the redevelopment. Payments during the year included the repayment of the first instalment of £6,000 of the loan of £30,000 received from The William Leech Charity in the year ended 31 August 2021. The balance on the Fund carried forward was £32,801 (2021: £39,069).

Internal Organisations

The Internal Organisations manage their finances separately from the main Church funds but report to the Church Council.

The Children & Youth Project made net payments during the year of £5,339 (2021: £5,693 before receipt of the transfer of £5,000 from the Church unrestricted fund). The balance at the year-end was £23,326 (2021: £28,665).

Bridges had net receipts for the year of £1,368 (2021: net payments of £770) before a transfer to the Church unrestricted fund of £405, being the proceeds of a fundraising event. This resulted in a balance of £9,028 (2021: £ 8,065) at the year-end.

Spread Drama Group had net receipts of £849 (2021 net payments: £60), leaving a balance carried forward at the year-end of £4,315 (2021: £3,466).

Further information on all funds is provided in the accounts and the notes to the accounts.

Reserves policy

Unrestricted funds

The Church recognises the need to maintain a reserve in the General Fund to enable it to function effectively. Additionally, the Church considers it appropriate to maintain a reserve as a contingency, for unplanned expenditure or indeed, reduced income. The Trustees have established their mission aims, including the resources available in terms of people, property and money. Mission initiatives and projects are fully costed, or estimates made of projected costs which incorporate the needs of the buildings and the necessary requirements of the Quinquennial Inspection Report(s). The Church Council is aware of the continuing need to maintain an appropriate level of reserves and has agreed that any General Fund reserve should be a minimum of £40,000, up to a maximum of six months operational expenditure. In conjunction with the Finance & Property Committee, the Treasurer monitors the reserve and reviews this policy annually.

The Church Council recognises the need to be accountable as Charity Trustees for all income and expenditure and in that regard, submits an Annual Report in accordance with the requirements of the Methodist Conference and the Charity Commission guidance in CC19.

General Church running expenses for the current year ending 31 August 2023 are expected to be around £91,000 (2022: £88,000) per annum. Therefore, the required reserves for unrestricted funds are between £40,000 and £45,500 (2021: £44,000). The general funds at the year-end are approximately £3,000 less than the minimum required reserve. The Church Council is aware of the continuing need to build up the reserves and has taken measures to do this, such as, a review of giving campaign, and various groups have held fundraising events.

Restricted funds

There is a very small Minister's Benevolent Fund, which is distributable at the Minister's discretion to those in need. It is hoped this can be increased in future years.

Internal Organisations

Children & Youth Project (fully restricted) – This account receives funding from time to time which is allocated to particular projects however, all funds held in this account are treated as restricted to paying the salaries of lay employees and supporting activities such as Sunday Club and for children and youth generally. The sources of funding vary however, it is important to retain an appropriate level of reserves to enable the project to continue planned operations for at least 6 months in the event of an unexpected fall in income and also, to meet any redundancy and related costs in the event of its termination. The reserves in excess of these amounts are committed to fund the recruitment during 2022-

23 of a new Children and Families Pastor and a Youth & Community Outreach Worker.

Bridges and Spread do not aim to make a significant surplus and the reserves at the year-end are held to enable them to carry on their activities, including their community projects, in the following year.

Funds held by the Internal Organisations are not available to meet general Church expenses.

Endowment Fund

The Church Redevelopment Fund is made up of specific donations, grants, and a loan, net of payments, relating to the development of the Church building at Strathmore Road, which started in summer 2020 and was completed by December 2020. An interest free loan of £30,000 was secured in October 2020 from The William Leech Charity to cover a short-term funding gap and is repayable in 5 equal instalments of £6,000. The first instalment was paid in October 2021. The endowment funds are required to repay the loan and meet any final costs of the development. Further details can be found earlier in the Report under 'Church Redevelopment Project'.

Signed on behalf of the Trustees by

Rev Ann Varker

Date:

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF STRATHMORE ROAD METHODIST CHURCH Charity no 1179206
ON THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

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.

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 Report

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

I have completed my examination and confirm that no material matters have come to my attention in connection with the examination which give 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 do not accord with the accounting records.

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.

I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes ("TMCP") or held in other Trusts, Bank balances and Funds at the Central Finance Board of the Methodist Church ("CFB"), which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signed by

Date

Peter Nelmes FCCA
Glenavon, Peth Lane, Ryton, NE40 3PB

STRATHMORE ROAD METHODIST CHURCH
YEAR ENDED 31 AUGUST 2022

RECEIPTS AND PAYMENTS ACCOUNT

CHURCH excluding Internal Organisations	Note	Unrestricted Funds	Restricted Fund Benevolent	Endowment Fund Development	Total Funds 2022	Total Funds 2021
	1	£	£	£	£	£
RECEIPTS	2					
Offerings and Tax recovered	3	65,235	0	5,625	70,860	204,705
Bank interest		125	0	2	127	146
Lettings		6,021	0	0	6,021	3,260
Other receipts		4,644	50	0	4,694	40,691
TOTAL RECEIPTS		76,025	50	5,627	81,702	248,802
PAYMENTS	4					
Circuit Assessment	5	59,350	0	0	59,350	59,000
Donations		141	0	0	141	436
Repairs and Maintenance		3,001	0	0	3,001	2,779
Utilities		8,010	0	0	8,010	7,746
Endowment payments		0	0	10,311	10,311	461,770
Other payments		8,579	52	93	8,724	6,481
TOTAL PAYMENTS		79,081	52	10,404	89,537	538,212
NET (PAYMENTS)/RECEIPTS FOR THE YEAR		-3,056	-2	-4,777	-7,835	-289,410
Total funds brought forward		38,261	180	39,069	77,510	371,920
Transfers with Internal Funds & Organisations	6	1,896	0	-1,491	405	-5,000
CHURCH FUNDS CARRIED FORWARD	8 & 9	37,101	178	32,801	70,080	77,510

**STRATHMORE ROAD METHODIST CHURCH
YEAR ENDED 31 AUGUST 2022
RECEIPTS AND PAYMENTS ACCOUNT**

INTERNAL ORGANISATIONS REPORTING TO THE CHURCH COUNCIL	Notes	Receipts £	Payments £	Net receipts/ (payments) £	Transfers with Church £	Opening balances £	Closing balances £
Children & Youth Project		6,168	11,507	-5,339	0	28,665	23,326
Bridges		6,666	5,298	1,368	-405	8,065	9,028
Spread Drama Group		4,827	3,978	849	0	3,466	4,315
Total of Internal Organisations		17,661	20,783	-3,122	-405	40,196	36,669
Church totals from previous page		81,702	89,537	-7,835	405	77,510	70,080
TOTAL FOR CHURCH INCLUDING INTERNAL ORGANISATIONS		99,363	110,320	-10,957	0	117,706	106,749

STATEMENT OF ASSETS AND LIABILITIES

CHURCH FUNDS HELD AT 31 AUGUST	Notes	Opening balances 2021 £	Closing balances 2022 £
Cash in hand		200	200
Bank Current accounts		45,054	38,349
Central Finance Board of the Methodist Church Deposit account		32,256	31,531
Total of Church accounts		77,510	70,080
Total funds held by Internal Organisations		40,196	36,669
TOTAL CASH FUNDS		117,706	106,749
OTHER ASSETS AND LIABILITIES			
Land and buildings	10	3,155,717	3,457,362
Plant and equipment at insured value		142,944	158,523
Loan for redevelopment	11	30,000	24,000
Other liabilities		129	89

Signed on behalf of the Trustees by:

Rev. Ann Varker, Chair

Jill N Catterall, Treasurer

Date

STRATHMORE ROAD METHODIST CHURCH
YEAR ENDED 31 AUGUST 2022
NOTES TO THE ACCOUNTS

- 1 Accounting basis** - The accounts have been prepared on the cash basis. "Gross income" for the purpose of determining whether accruals accounting is required, excludes receipts of endowment capital. The gross income of the Church for the year ended 31 August 2022 for this purpose is therefore, total receipts of £99,363 less endowment capital receipts of £5,627 giving a figure of £93,736. As this is less than the threshold of £250,000, accruals accounting is not required.
- 2 Receipts** do not include collections or funds raised specifically for other charities or external organisations. See note 7 for details of these amounts.
- 3 Offerings and Tax recovered** for 2022 for the Church Unrestricted funds includes Gift Aid of £10,234 (2021: £10,333)
- 4 Payments** do not include the passing on of amounts collected or raised specifically for other charities or external organisations. See Note 7 for details of these amounts.
- 5 The Circuit Assessment** is the Church's share of the Circuit's annual costs, primarily relating to Ministers' salaries and housing.
- 6 Transfers with Internal Funds & Organisations** - During the year the Church received £1,491 from the Development Fund, which was the reimbursement from the builder for energy costs used during the redevelopment, and £405 from Bridges from a fundraising event. (2021: The Church contributed £5,000 to the Children & Youth Project).

7 Money received and passed on to external organisations

	2022				2021
	Church	Youth	Bridges	Total	Total
	£	£	£	£	£
Brought forward			2,350	2,350	132
Collections/Receipts	808		12,856	13,664	2,850
Payments	-808		-13,946	-14,754	-632
Balance still to be paid at 31 August 2022	0	0	1,260	1,260	2,350

The receipts and payments for Bridges relate primarily to the annual Church holiday to Keswick.

STRATHMORE ROAD METHODIST CHURCH
YEAR ENDED 31 AUGUST 2022
NOTES TO THE ACCOUNTS (CONTINUED)

- 8 Restricted Fund** - The Church has one restricted fund known as the Benevolent Fund, which is available for the Minister to spend at her discretion in cases of individual hardship or poverty.
- 9 Endowment Fund** - The Church has one endowment fund known as the Development Fund which is for a major building project to extend and redevelop the Church buildings, which took place in the years ended 31 August 2020 and 2021. In accordance with guidance issued by the Methodist Church in July 2019, "Accounting for tangible fixed assets", donations intended to provide an asset for long-term use, i.e. a fixed asset, should be classified as an expendable endowment and not a restricted income fund. Consequently, the Development Fund has been classified as an expendable endowment. The Endowment Fund has been shown in a separate column in the Receipts and Payments Account and an analysis is provided below, showing the comparative figures for the prior year.

	2022	2021
	£	£
Receipts		
Donations and grants	5,625	143,905
Bank interest	2	90
Loan received	0	30,000
	<u>5,627</u>	<u>173,995</u>
Payments		
Building project payments	-4,311	-461,770
Bank charges	-93	-197
Loan repayment	-6,000	0
Net (payments)/receipts	<u>-4,777</u>	<u>-287,972</u>
Funds brought forward	39,069	327,041
Transfer to Unrestricted Funds (see Note 6)	<u>-1,491</u>	<u>0</u>
Funds carried forward	<u>32,801</u>	<u>39,069</u>

STRATHMORE ROAD METHODIST CHURCH
YEAR ENDED 31 AUGUST 2022
NOTES TO THE ACCOUNTS (CONTINUED)

- 10 Land and buildings** - The Church land and buildings are owned by the Trustees for Methodist Church Purposes as custodians. The Church at Strathmore Road opened in 1902 and the halls were added in 1958 but there is no information available about their historic costs. In conjunction with the redevelopment of the Church buildings, the Trustees have estimated the value of the land, based on average land values in Gateshead. The land value will be reviewed every 5 years. The existing buildings are included at their insurance value in accordance with Methodist Church guidance.

	2022	2021
	£	£
Land at Strathmore Road - estimated value	388,000	388,000
Insurance value of redeveloped buildings	<u>2,698,231</u>	<u>2,433,059</u>
	3,086,231	2,821,059
Chopwell Methodist Church - insurance value	<u>371,131</u>	<u>334,658</u>
	<u>3,457,362</u>	<u>3,155,717</u>

* Note only: Cost of redevelopment to 31 August 2022 £667,358.

- 11 Loan** - In October 2020 The William Leech Charity made a loan of £30,000 to cover completion of the redevelopment of the Church buildings, prior to receipt of an equivalent amount of pledged donations. The loan is interest-free and is repayable in 5 equal, annual instalments, the first being paid in October 2021.

