
DONAGHADEE METHODIST CHURCH

ACCOUNTS FOR 2019

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INTRODUCTION

How to read these accounts

The tables below set out accounts for each part of the church's work. They start with a summary, Table 1, bringing together all the church's monies and showing how the church's financial position compares overall with the position at the start of the calendar year.

The following tables unpack that summary and break it down into detail, first for the No.1 account (the main current account) as a whole; then for the five different Funds which are contained within it; and finally for income and expenditure within the General Fund. Actual income and expenditure are what matters, rather than the broader definition of 'receipts and payments', which is what reconciles with the bank statements.

The remaining tables look at the church's other bank accounts and at the monies which the church collects to be passed on to the Methodist Connexional Funds and other charitable purposes. Finally, there are the accounts for each of the church societies, which are added together with the main church accounts for the purpose of reporting to the Methodist Trustees.

Structure of the accounts

The church has five bank accounts and five investment accounts:

The No.1 account (Tables 2 to 5)

This is a current account which handles most of the church's day to day business. In addition to the General Fund it includes the Benevolent Fund i.e. collections at Communion Services, which are available to be used at the Minister's discretion.

Beside the church's proper income and expenditure, which is shown in Table 5, the No.1 account receives money for Connexional Funds and other charitable purposes which is passed on immediately to the charities concerned. These balancing receipts and payments are shown in Tables 7 and 8.

The Society accounts and the Reserve (Table 6)

The society accounts are a deposit account for the Choir and a current account for the MWI. There is also a deposit account for the Reserve, which is usually kept at £5000. Whenever there is a temporary surplus in the No.1 account it is transferred to the Reserve so that, in principle, it earns interest.

The investment accounts (Table 9)

The church has in recent years held about one eighth of its investments in Government stock and the remainder in unit trusts of the Charities Official Investment Fund (COIF). The church has holdings in the COIF Global Equity Fund and the COIF Ethical Investment Fund. They are managed for the COIF by CCLA Ltd. We also have a deposit account with CCLA in the COIF Charities Deposit Fund.

The No.2 account, Building Fund and Manse account (Tables 10 to 12)

The No.2 account is essentially the current account for the Building Fund. The Building Fund originated from a bequest by Margaret Foote and is restricted to building or other significant capital works on the premises.

At the start of 2015 the Church Council decided to transfer ownership of the church's investments from the Building Fund to the General Fund. In return the General Fund gave the Building Fund a £342,500 bond bearing interest at 2% (£6,850 per annum) for six years. The bond will mature at the end of 2020.

In 2018 the manse became vacant and it was let out to private tenants. The manse belongs to the Home Missions Department of the Methodist Church, not to the local church, so we are letting it on behalf of Home Missions. To save opening another account, the No.2 account has been used for this purpose. The transactions on behalf of Home Missions are separated out in Table 12. Because we spent a large amount of money refurbishing the manse before it was let, the Manse trading account shows a deficit at present, which is being funded by the church.

What the accounts tell us

In terms of income and expenditure we had a surplus of £17,703 on current account last year. That was because, in the unusual circumstances of the year, with Rev Tom McKnight serving as Secretary of Conference and the Revs Bert Montgomery and Daphne Twinem standing in for him, we spent less than usual on the Minister's stipend, and less on manse running costs, which fell to the ring-fenced Manse section of the No.2 account instead.

Overall, on a receipts and payments basis, there was a small surplus of £833 on the current account, while the balance on the capital account increased by £105,845, £13,685 being attributable to the No.2 account and £92,160 to the investment accounts. The church's total funds therefore increased by £106,678.

The church's investments performed well over the year. As the prospect of an early start on our building project receded, we switched some funds back out of the deposit account and into equity investments. We also injected another £10,000 from our current account. As a result, at the end of the year our investments were valued at £509,135.

The main income and expenditure account (Table 5) shows that regular giving, at £55,828, was 5 per cent up on the previous year, with a welcome continuing shift from loose offerings to standing orders. That slightly overstates the improvement, however, as the Treasurer's practice recently has been to treat payments by members who make their offerings once a year as if they had been put in envelopes, instead of counting them as one-off donations. Gift Aid continues to make an important contribution.

The Manse Account (strictly the Manse section of the No.2 account) showed a surplus of rental income over expenses of £5,651, but because of the heavy expenditure in 2018 the balance on the account is still negative, at -£3,490.

The church made generous contributions to the four Connexional Funds it supports, totalling £5,461 with Gift Aid refunds included, though the figures were slightly down on last year.

The Building Fund received £6,850 from the General Fund in interest on the Building Fund bond. In total, it increased by £8,034 to £366,351.

Thanks are due to everyone who has contributed to this outcome.

Church Treasurer
2nd January, 2020

TABLE 1
SUMMARY OF ACCOUNTS (RECEIPTS AND PAYMENTS BASIS)

	Opening balance	Receipts	Payments	Closing balance	Increase/ (decrease)
No.1 account (Table 2)	7735	95603	94749	8589	853
Reserve etc. accounts (Table 6)	6344	11802	11826	6324	-20
Total current account	14079	107405	106575	14913	833
Investment accounts (Table 9)	416975	n/a	n/a	509135	92160
No.2 account (Table 11)	2033	17645	3961	15718	13685
Total church funds	433087	n/a	n/a	539766	106678
<i>Of which:</i>					
Building Fund (Table 10)	358317	n/a	n/a	366351	8034
Unrestricted funds	74770	n/a	n/a	173415	98644

TABLE 2
NO.1 ACCOUNT: RECEIPTS AND PAYMENTS

	Opening balance	Receipts	Payments	Closing balance	Surplus/ (deficit)
Income and expenditure (Table 4)	7735	75007	57304	25438	17703
Transfers between accounts	0	10000	10000	0	0
Net transfer to investments	0	0	10000	-10000	-10000
Connexional Funds (Table 7)	0	5269	5269	0	0
Other transactions (Table 8)	0	4024	4024	0	0
Interest to Building Fund (Tab. 10)	0	0	6850	-6850	-6850
Total	7735	95603	94749	8589	853

TABLE 3
RECONCILIATION OF NO.1 ACCOUNT

Bank 31/12/18	Cheques outstand	Opening balance	Plus receipts	Less payments	Closing balance	Cheques outstand	Bank 31/12/19
9175	1440	7735	95603	94749	8589	1890	10479

TABLE 4

NO.1 ACCOUNT: INCOME AND EXPENDITURE

		Opening balance	Receipts	Payments	Closing balance	Surplus/ (deficit)
General Fund	(Table 5)	6971	74331	56708	24594	17623
Benevolent Fund		764	676	596	844	80
Total		7735	75007	57304	25438	17703

TABLE 5

No.1 ACCOUNT: INCOME AND EXPENDITURE

Income	2018	2019	Expenditure	2018	2019
Envelopes	39132	40736	Ministers	29174	27321
Loose	3265	2396	Pulpit supply	120	550
Standing orders	10738	12696	Assessment	9573	10633
Gift Day & donations	5245	3230	Church music	3670	4153
Gift Aid	12861	13054	Manse expenses	1319	0
Use of premises	974	1200	Church insurance	2564	2633
Interest	606	629	Church utilities	3371	3927
Sundry	315	390	Church repairs etc	1275	3476
			Young people	520	592
			Stationery	1150	1156
			Phone and internet	0	515
			Bank charges	243	236
			Sundry	537	1514
General income	73137	74331	General expenditure	53961	56708
Benevolent Fund	585	676	Benevolent Fund	607	596
Total income	73722	75007	Total expenditure	54568	57304

TABLE 6

THE RESERVE AND SOCIETY ACCOUNTS

	Opening balance	Receipts	Payments	Closing balance	Increase/ (decrease)
Reserve account	5000	10000	10000	5004	4
Choir	137	130	180	87	-50
MWI	1207	1672	1646	1233	26
Total	6344	11802	11826	6324	-20

TABLE 7
CONNEXIONAL FUNDS

	Donations	Gift Aid recovered	2019	(2018)
Child Care Society	1322	128	1450	1380
Home Missions	892	241	1133	1470
Overseas Missions	817	163	980	952
World Development and Relief	1791	107	1898	2460
Total	4822	639	5461	6262
<i>Of which, proper to 2019</i>	<i>4630</i>	<i>639</i>	<i>5269</i>	

TABLE 8
OTHER TRANSACTIONS ON THE NO.1 ACCOUNT

	Receipts and payments 2019
Methodist Newsletter	250
Church Choir	180
Prayer Focus	102
Singing the Faith	875
Royal British Legion	100
Cyclone Idai appeal	1023
Manse rates	1880
Foodbank	80
Refund of pulpit supply	40
Cash used	-484
Total	4024

TABLE 9
INVESTMENT ACCOUNTS

	Opening balance	Receipts/ Payments	Profit/ (Loss)	Closing balance	Increase/ (decrease)
2% IL Treasury stock (286.2p)	36920	0	1540	38460	1540
2.5% IL Treasury stock (361.0p)	9130	0	-105	9025	-105
COIF Global Equity Fund (359.9p)	167400	25000	46550	238950	71550
COIF Ethical Fund (386.7p)	103350	50000	33950	187300	83950
COIF Deposit Account	100175	-65000	225	35400	-64775
Total	416975	10000	82160	509135	92160

TABLE 10
BUILDING FUND

	Opening balance	Receipts	Payments	Closing balance	Increase/ (decrease)
No.2 account (excluding manse)	15817	8059	25	23851	8034
Building Fund bond	342500	0	0	342500	0
Total	358317	8059	25	366351	8034

TABLE 11
No. 2 ACCOUNT: SUMMARY

	Opening balance	Receipts	Payments	Closing balance	Increase/ (decrease)
Building Fund	9159	8164	1506	15817	6658
Manse HM a/c	-9141	9587	3936	-3490	5651
Total	2033	17751	5442	15718	13685

TABLE 12
No. 2 ACCOUNT: BUILDING FUND AND MANSE

		Receipts		Payments
Building Fund				
	Interest on bond	6850		
	Envelopes	808		
	Standing orders	396	Bank charges	25
	Interest	5		
	BF total	8059	BF total	25
Manse HM a/c				
	Rental income (net)	8362	Repairs	560
	Insurance payments	1225	Rates	1881
			Rental expenses	1495
	Manse total	9587	Manse total	3936
No.2 account	Total	17645	Total	3961
No.2 account	Opening balance	2033	Closing balance	15718

REGULAR GIVING BY MEANS OF ENVELOPES AND STANDING ORDERS 2018

Money given in Free Will Offering envelopes and by Standing Order both for the General Fund and for the Building Fund, but excluding special appeals. A breakdown of individual contributions by tax year can be provided on request.

No.	Gen.	Bld.
1	195	
2	400	
3	600	
4	480	
5	250	
6	1440	
7		
8	520	
9	1800	
10	150	
11	270	
12	205	
13	118	
14	260	
15	130	
16	220	
17	1060	
18		
19		
20		
21	407	
22	1040	
23		
24	540	
25	1500	
26		
27	155	
28	590	
29		
30		
31	240	
32	650	
33	150	
34	1000	
35		
36		
37	255	
38	160	
39	423	55
40		

No.	Gen.	Bld.
41	106	
42		
43	520	240
44	345	
45	362	55
46	520	
47	2000	
48	600	
49	185	
50	102	
51	187	
52	250	110
53	2165	
54	390	60
55	150	
56	1267	
57	10	
58		
59	204	
60		
61	560	
62		
63	445	
64	1440	
65	416	
66	200	
67	412	
68	2080	300
69	1040	
70		
71	480	
72	817	10
73	150	
74	310	200
75	790	
76	1800	
77	240	
78	325	
79	104	
80	1040	120

No.	Gen.	Bld.
81	190	
82	520	
83		
84		
85	2000	
86		
87	210	
88	920	
89	680	
90	515	
91	235	
92	60	
93	492	
94	785	
95	265	
96	1600	
97		
98	250	
99	736	96
100	900	
101	3000	
102	275	
103	410	
104	870	
105	490	
106	100	
107		
108	10	
109	275	
110	215	
111		
112	86	8
113	165	
114	163	
115	390	
116	1020	
117	80	
118	5	5
119	218	15
120		