

City Church Trust, Liverpool

Report and Accounts

year ended 31 October 2019

stewardship[®]

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CITY CHURCH TRUST, LIVERPOOL
LEGAL & ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 OCTOBER 2019

ADDRESS FOR CORRESPONDENCE	69 Bonchurch Drive Liverpool L15 4PW
GOVERNING DOCUMENT	Declaration of Trust dated May 1989
CHARITY REGISTRATION NUMBER	701792
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	David Jones Prakash Chougule Graham Earnshaw Susan Latham (appointed July 2019) John Fretwell (appointed March 2020) Irene Taylor (to May 2019)
BANKERS	Santander CCLA COIF Charities Deposit Fund Skipton Building Society
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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CITY CHURCH TRUST, LIVERPOOL
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2019

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 October 2019.

Objects of the charity

The charity was formed as a Trust on 30th May 1989, is a registered charity and is governed by its Declaration of Trust of the same date. The charity's principal objects, as set out in its governing document, are: the advancement of the Christian Faith, and relief of poverty, sickness and disabled persons and the advancement of education in Merseyside and elsewhere in the UK and other parts of the world.

Summary of the charity's main activities and achievements

To further the above objects, the charity's main activities and achievements were as follows:

Dave Latham continued as Senior Minister of City Church. Dave leads the Leadership Team with Sue his wife. James Earnshaw and his wife Cathy complete the leadership team. Dave and James are salaried leaders. The team works closely together as they seek the Lord to implement the way forward for the church. James Earnshaw completed the MIT Course with Elim and was ordained an Elim Minister on 8th June 2019.

Again, as per last year, James organised two open air events in The Kensington Fields area, which had a major impact on the area. The first event was a carol service called Kenny Carols, and was attended by over 300 local residents and church members. The second event was a summer festival called Kennyfest, which was held in near by Phythian Park. It featured donkey rides, face painting, sumo wrestling and bouncy castles. Dave Latham shared several short messages about the love of Jesus. Several people visited the Prayer Tent. Over 500 people attended, mostly local residents.

The work of the Trust has continued, and we have seen new people join the Church throughout the year.

We welcome all who attend City Church, and teach any who wish to know, more about the love of Christ. During the week, Home Groups (attended regularly by over 30 people) take place to support members of the church, and help them to learn more about the Christian faith.

In the year 2018/19 City Church has continued to meet every Sunday to worship God and hear the preaching of the good news of Jesus Christ. The average attendance at these meetings is about 120 people. The Pastoral Team has increased so that more people are supported and visited in their homes. Sadly we have had several funerals, meaning we have lost some dear friends.

Once a month Dave has ministered in other churches and there have been a number of visiting speakers at City Church.

City Church members continue to impact the local community, through their response to the Christian Gospel, by their involvement with one charity; The Crossing Point, which supports and protects abused people.

City Church Foodbank Team

This service has been discontinued due to lack of volunteers. Food parcels are still given to needy people in the area, on a one off basis, from an emergency store in the church.

Fountain Friendship Group

The Friendship group meets every two weeks at City Church. We have between 10 and 20 people attend, mainly but not exclusively over 50 age group. We pray together, watch Christian films and have various speakers, both from the church and outside Christian agencies. Our purpose is to encourage each other and reach out to the community with the love of God and the Christian gospel.

Café Connect

The Saturday morning Café Connect project continues to successfully serve the local community. 25 to 30 people, sometimes more, come to the cafe on a Saturday morning.

There have been opportunities for Church members to share the Gospel with them. The customers have been very open to this and one or two have attended our Sunday Service and Christmas Party. We have quite a few regular customers who really enjoy coming.

Children's Church 2017/18

Children's Church has seen a group of new children coming more regularly, adding to and solidifying the group as a whole.

There have been new members added to the Children's Church staff, which has strengthened and revitalised the team.

We've followed a new curriculum, which has taken more of a devotional focus, to which the children have risen, in terms of their maturity, and they have really enjoyed taking part.

In addition to children's church, there is provision for the spiritual and physical needs of younger children through crèche.

Youth Report 2018/2019

Bible Class is the name for the group of young people who meet during the Sunday morning service. We have up to 15 young people and four leaders. We talk about the Bible and related topics, and show media clips and have discussions and activities. We go away in the summer to Christian conferences, and take the young people to day and evening events. The young people are also involved in church services through media, sound and the worship team.

18 – 30s

The 18-30s have had a fantastic year with a number of people being added to our number, replacing a handful of people who left the city for university or work. We meet regularly to socialise and study the Bible.

City Church has a website at www.citychurchliverpool.org where contact information, current meeting times and programmes are advertised. At the present time sermons are posted on City Church's Facebook Page.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

Evangelism

One of the prime aims of the trust is to promote the Christian Gospel. This work has continued throughout this year, both through the visits to houses in the neighbourhood, through Sunday services and through youth and children's services.

Property

The work on the church building in Jubilee Drive has continued through the year as we seek to improve and maintain facilities.

This year saw the repainting of all the flat roofs at the side extension of the church and tanking/plastering to a section of wall in basement.

Investment policy

The reserve funds are held with the Skipton Building Society and CCLA Charities Deposit Fund. If funds are received which require longer-term and more complex investment to be made, the Trustees are aware that, under the Trustees Act 2000, they will need to seek independent financial advice.

Financial review

During the year income increased by £10,000, to £79,800, and expenditure increased by £5,100, to £89,900. As a result the cash held by the charity decreased by £10,100, to £121,100, of which £118,300 is unrestricted and can be used for any charitable purpose. The financial handling of salary payments and independent examination continues to be conducted by Stewardship Services.

Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of no less than £45,000 (which equates to about six months' of unrestricted expenditure) so that the charity could continue to operate should income and / or expenditure vary adversely. At the year end, the charity held unrestricted cash of £118,300. The charity is holding excess funds for the purpose of offsetting the ongoing pattern of expenditure exceeding the church's income due to the changing staffing profile and its unknown impact on the salary bill. Plans are currently being formulated to carry out some significant maintenance and improvement work.

Future plans

The Trustees plan to make some amendments to the governing document in the coming year.

In November 2019 the church received a legacy that was without condition/restriction. The intention is to place this in a designated fund, so that this money can be earmarked for various expenditure over the next few months/years, and this will be kept separate from the day to day receipts and payments.

Due to Covid-19, the last Sunday morning offering was taken on 15/3/2020, and as such the church has received no cash offering since this date. The standing order gifts continue and some people are now making payments electronically. The Senior Minister has been on furlough since 09/4/2020, and a claim for 80% of his regular wage will be made through the Coronavirus Job Retention Scheme. The church has sufficient resources to continue operating for at least one year from the date of signing the accounts and can pay liabilities as and when they are due.

Governance

Responsibility for setting policy and for making operating decisions rests with the trustees who meet regularly to monitor the activities of the charity. New trustees are recruited and appointed by the existing trustees.

Risk management

The Trustees have reviewed the major strategic and operational risks that the charity faces. These are kept under review at Trustee meetings, which occur at least 4 times per year. Where possible we seek to insure major risks in respect of the building and employees. In addition, we have a Safeguarding Policy (for children and vulnerable adults) along the guidelines set out by the thirtyone:eight organisation formerly (CCPAS). This was reviewed and updated in 2019. This ensures that all those who work with children and young people and vulnerable adults on our behalf are cleared with the Disclosure & Barring Service (DBS) and receive suitable training and support.

Responsibilities of trustees

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

Approval

This report was approved by the trustees and signed on their behalf by:

Dave Jones [Chair]

Date: 22 June 2020

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
CITY CHURCH TRUST, LIVERPOOL

I report to the trustees on my examination of the accounts of City Church Trust ('the charity') for the year ended 31 October 2019 on pages 7 to 10 following.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 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 2011 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 accordance with section 130 of the 2011 Act; or
2. 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 order to enable a proper understanding of the accounts to be reached.

Jaimée Young

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: 20 July 2020

CITY CHURCH TRUST, LIVERPOOL
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2019

		Unrestricted Funds				
		General Funds	Designated Funds	Restricted Funds	2019	2018
Notes		£	£	£	£	£
Income receipts						
		72,630	-	1,863	74,492	56,550
		-	-	1,500	1,500	1,500
		-	-	-	-	7,949
		2,364	-	-	2,364	2,175
		801	-	-	801	775
		621	-	-	621	836
		<u>76,416</u>	<u>-</u>	<u>3,363</u>	<u>79,779</u>	<u>69,785</u>
Payments						
Payments in relation to charitable activities undertaken directly	2	84,293	-	4,414	88,707	80,464
Grants paid in relation to charitable activities undertaken by others	3	800	-	350	1,150	4,270
		<u>85,093</u>	<u>-</u>	<u>4,764</u>	<u>89,857</u>	<u>84,734</u>
Net of receipts / (payments) before transfers		(8,677)	-	(1,401)	(10,079)	(14,949)
Transfers between funds	5	(682)	-	682	-	-
Net movement in funds		<u>(9,359)</u>	<u>-</u>	<u>(719)</u>	<u>(10,079)</u>	<u>(14,949)</u>
Cash funds as at last year end		127,695	-	3,468	131,163	146,111
Cash funds at this year end	A	<u>118,336</u>	<u>-</u>	<u>2,748</u>	<u>121,084</u>	<u>131,163</u>

The notes on pages 9-10 form part of these accounts.

CITY CHURCH TRUST, LIVERPOOL
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 OCTOBER 2019

	<u>Unrestricted Funds</u>				
	General funds	Designated funds	Restricted funds	2019	2018
	£	£	£	£	£
A Cash funds					
Held at bank	118,070	-	2,748	120,819	130,944
Petty cash	265	-	-	265	218
	<u>118,336</u>	<u>-</u>	<u>2,748</u>	<u>121,084</u>	<u>131,163</u>
B Other monetary assets					
Gift aid due to charity	10,803	-	-	10,803	6,320
	<u>10,803</u>	<u>-</u>	<u>-</u>	<u>10,803</u>	<u>6,320</u>
C Liabilities					
<i>Due in under one year</i>					
Fee for Independent Examination	900	-	-	900	900
Accrued expenses	-	-	-	-	1,307
	<u>900</u>	<u>-</u>	<u>-</u>	<u>900</u>	<u>2,207</u>

Due in over one year

City Church Liverpool participates in a group defined benefit pension scheme, known as Elim Ministers Pension Fund, where the main employer is Elim Foursquare Gospel Alliance. This church pays a contribution that reflects the benefits earned in the current period and provides to pay additional contributions to the scheme relating to past service (the last actuarial valuation at 31 December 2015 indicated that the obligation to provide defined benefits gives rise to a funding deficit).

The charity has been advised that there is a provisional Technical Provisions for one staff member of £78,902 as at 31 December 2018.

D Assets retained for charity's own use	Value 2019 £	Value 2018 £
Freehold building	1,411,200	1,344,000
Contents and equipment	46,000	45,000
	<u>1,457,200</u>	<u>1,389,000</u>

The freehold building insurance value referred to above represents the insurers reinstatement value for Elim Church, Jubilee Drive.

The trustees have used insurance values as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

The accounts were approved by the trustees and signed on their behalf

by D. Jones date 22 June 2020

The notes on pages 9-10 form part of these accounts.

CITY CHURCH TRUST, LIVERPOOL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 OCTOBER 2019

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

	<u>Unrestricted Funds</u>		Restricted	Total	Total
	General	Designated	Funds	2019	2018
	funds	funds			
	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly					
Staff costs (salaries, pension, training, expenses)	58,773	-	-	58,773	55,655
Building operating costs	8,093	-	-	8,093	9,232
Equipment & repairs	4,080	-	-	4,080	1,889
Visiting speakers and ministry costs	1,652	-	-	1,652	1,348
Breakfast Café and other catering costs	3,322	-	-	3,322	3,272
Youth, Children's, and other ministries	1,915	-	4,414	6,329	2,316
Administration and support costs	3,820	-	-	3,820	5,383
Independent examination	922	-	-	922	352
Other	1,717	-	-	1,717	1,018
	<u>84,293</u>	<u>-</u>	<u>4,414</u>	<u>88,707</u>	<u>80,464</u>

3 Grants paid in relation to charitable activities undertaken by others

Grants for:

Overseas mission	600	-	-	600	2,125
Home missions	200	-	350	550	2,145
	<u>800</u>	<u>-</u>	<u>350</u>	<u>1,150</u>	<u>4,270</u>

CITY CHURCH TRUST, LIVERPOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2019

4 Transactions with related parties

James Earnshaw, the son of trustee Graham Earnshaw, is employed as Minister in Training and was paid £15,525 [2018: £12,805]. Graham Earnshaw has no involvement in any discussions in relation to employment matters regarding his son.

David Latham, spouse of Susan Latham, a trustee from July 2019, is employed as a Minister and was paid £34,858. Susan has no involvement in any discussions in relation to employment matters regarding her husband.

5 Movement of funds

	Balance at 31Oct2018	Receipts	Payments	Transfers	Balance at 31Oct2019
	£	£	£	£	£
General funds	127,695	76,416	(85,093)	(682)	118,336
	<u>127,695</u>	<u>76,416</u>	<u>(85,093)</u>	<u>(682)</u>	<u>118,336</u>
Restricted funds					
Cefn Lea	318	20	(490)	152	-
Shepherds Purse fund	50	449	(350)	-	148
Community Outreach Project	2,600	-	-	-	2,600
Kenny Carols 2018	500	430	(1,014)	84	-
Kennyfest and Kenny Carols 2019	-	2,464	(2,910)	446	-
	<u>3,468</u>	<u>3,363</u>	<u>(4,764)</u>	<u>682</u>	<u>2,748</u>
TOTAL FUNDS	<u>131,163</u>	<u>79,779</u>	<u>(89,857)</u>	<u>-</u>	<u>121,084</u>

The Cefn Lea fund is to help fund conference and training costs.

The Shepherds Purse fund is to help members of the community in need.

The Community Outreach Project is yet to be determined by the trustees.