

REGISTERED COMPANY NUMBER: 08522873 (England and Wales)
REGISTERED CHARITY NUMBER: 1153061

City Church Preston
Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2021

City Church Preston

Contents of the Financial Statements for the year ended 31 December 2021

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Notes to the Financial Statements	10 to 15

City Church Preston

Reference and Administrative Details for the year ended 31 December 2021

TRUSTEES	DC Hogarth PJ Maltby PS Counsell (resigned 31/12/2021) SR Thirukumaran AM Allton (resigned 8/12/2021)
REGISTERED OFFICE	St Thomas' Centre Lancaster Road North Preston Lancashire PR1 2SQ
REGISTERED COMPANY NUMBER	08522873 (England and Wales)
REGISTERED CHARITY NUMBER	1153061
INDEPENDENT EXAMINER	McMillan & Co LLP Chartered Accountants 28 Eaton Avenue Matrix Office Park Buckshaw Village Chorley Lancashire PR7 7NA

City Church Preston (Registered number: 08522873)

Report of the Trustees for the year ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives

City Church Preston is a community of faith, hope and love that seeks to communicate the life changing message of Jesus to Preston and beyond. The Church seeks to serve the community and encourages its church partners and regular attendees to be involved in all positive aspects of serving our city.

The objectives of the Church are for the benefit of the public:

- a) to advance the Christian faith in accordance with the Statement of Faith of Assemblies of God in such ways and in such parts of the United Kingdom or the world as the Directors from time to time may think fit;
- b) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom or the world as the Directors from time to time think fit, and;
- c) to advance education in such ways and in such parts of the United Kingdom and the world as the Directors from time to time may think fit.

In accordance with its aims, the Church planned and delivered a range of activities throughout the year. These activities were planned with due regard to the Charity Commission's guidance on public benefit, and in particular, the specific guidance on charities for the advancement of religion.

Church partners and attendees have been encouraged to become active in the expression of their Christian faith through;

- teaching, encouragement and practical demonstration on how to follow the example of Jesus, in faith, word and action.
- Collective acts of worship.

The Church also provided funeral services, with emotional and practical support provided for the family and friends of those who had passed away.

Aims and purposes

The trustees are responsible for ensuring that City Church Preston fulfils its charitable aims which are to advance the Christian faith, relieve sickness and financial hardship, and advance education.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives.

City Church Preston (Registered number: 08522873)

Report of the Trustees for the year ended 31 December 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities and review of the year

City Church Preston is a vibrant faith community centred on the teaching and example of Jesus Christ. It is a community which is socially and ethnically diverse, inclusive, and connects with all ages. The Church is welcoming to all, particularly those who are interested to learn more about the Christian faith. Opportunities such as the 'Being With' course have been provided for those who wish to gain an understanding of the basic principles of Christianity, together with water baptismal services for those who wish to be baptised.

During 2021 the Church provided a network of practical support for people, including pastoral support for those in challenging situations, visiting those who were sick, and support for the elderly and disabled. Practical support and guidance was made available to those who were in financial difficulty, together with prayer and support for difficult situations, faced by those in the church community, their colleagues, friends, family and the wider community.

Following the lifting of COVID 19 restrictions from April 2021 onwards, the leaders of City Church Preston began to carefully reintroduce in-person meetings. This was well received. It was apparent from feedback received that there was also significant value in maintaining the live-stream of the Sunday services on the church website and YouTube. The food market provision has been a consistent source of encouragement, with many members of the local community not only engaging with this, but also volunteering to help run it. Pastoral connections were maintained through one to one sessions to encourage and support individuals as we all adjusted to a post-lockdown world.

The development of Soul Care, an online community engaged in reflective practices which help individuals to connect with and respond to God, is a significant positive arising from Covid related restrictions. Moving one weekly prayer meeting to an in-person meeting and keeping another online has supported a broad range of people to pray in community - some for the first time / first time in a long time.

Strong connections have been made with students and young adults through weekly activities for the 18-30s. A significant proportion who connect with us are from abroad. We are able to provide a warm and welcoming 'home from home' environment where friendship and peer support are fostered. This has positive effects on people's wellbeing. The sports hall is well used by this group.

Our youth and children's activities all moved to in-person provision again as restrictions eased throughout 2021. Parents noted that the online provision had been well received, but that the children and young people enjoyed being together in person again. Children and young people are encouraged in their faith journey through age-appropriate content / opportunities to explore questions of faith and allowed to reach their own conclusions.

We were delighted to host full-immersion baptisms in October 2021 for those wishing to publically declare their faith in Jesus Christ and their intention to continue on their journey as a Christian.

The church's offerings and content were made widely available and advertised on the church website, notices in the building, and through social media, so that they were made available to as many people as possible.

Staff and volunteers

All areas of church life are essentially staffed by volunteers who freely give their time and skills, and without whom the charity could not function. The only remunerated staff members during 2021 were the part time Lead Pastor, the part time Associate Pastor and the part time Church Caretaker.

During the year all policies and procedures are reviewed (and updated where appropriate). The Safeguarding policy is reviewed and kept current in line with Thirty One:Eight advice, with a full independent audit of the safeguarding policies and processes undertaken by Thirty One:Eight in late 2018, with all the minor improvements and recommendations completed by the end of December 2018. The policy is updated annually to reflect the latest advice from AOG and Thirty One:Eight advisors.

Towards the end of 2021 the church entered a planned phase where the Lead Pastor role transitioned from Paul Counsell to Phil Maltby, who successfully completed his ordination training during 2021. The trustees wish to place on record their thanks to Paul Counsell for many years of excellent and faithful service to the church. They are pleased to note that the transition has gone very well and there have been no discernible issues arising from this. New trustees are being actively recruited.

City Church Preston (Registered number: 08522873)

Report of the Trustees

for the year ended 31 December 2021

ACHIEVEMENT AND PERFORMANCE

Missions

As in previous years there continues to be a strong emphasis on missions work outside the church itself, both locally, in the UK and overseas. During the period the church has given £9,220 (2020: £5,441) to support missions. This has included direct support to missionaries working in the UK and overseas.

Church premises

The church building, St Thomas' Centre, gives City Church Preston an operating base, a home in the community, and supports the extension and development of ministry opportunities within the community we serve. Following the easing of pandemic-related restrictions, the directors carefully opened activities in the building. By the end of 2021 all church services and the weekly coffee morning drop-in, which allows pastoral conversations and support, and creates an accessible connection point for the local community, had been successfully re-started.

Circa £15,500 had to be spent on the building due to a collapsed drain on the church property and roof repairs. Both were completed, along with remedial works to prevent recurrence, by the end of 2021.

Partnerships

The Church is committed to playing a full part in the Assemblies of God GB fellowship, aiming to always be a net contributor to this wider network. This includes contributing to the AOG GB INCARE Relief and Development fund, and playing an active role in the AOG Hub and Zone meetings. The Church also continues to benefit from close working with other churches and organisations in Preston, the North West and elsewhere in the UK and abroad. A successful partnership with Preston City Council and FareShare continued to provide food markets each month.

The Church continues to pursue partnerships that are of benefit to attendees and the wider community, such as its partnerships with Community Solutions, Diverse Church, Fusion (linking into the students at UCLan), Mercy Ministries and many others.

There has been a continuation of the good work carried out by the church, with many people, both young and old, being empowered and encouraged to make better life choices. For some this has been to take further steps on their journey to faith, with a number becoming part of the church community. The church was able to provide pastoral, emotional and practical support to those in need. In all these areas the Trustees wish to record their thanks to God for his leading and provision, together with their thanks to all the volunteers who have sacrificially given of their time and finance in service to both the church community and the wider community.

FINANCIAL REVIEW

Reserves policy

The Charity has a Reserves Policy which identifies a prudent level of reserves, based on holding an amount equal to circa six months salary bill.

Additional to this is a value held in reserve for the planned and unplanned maintenance of St Thomas' Centre on Lancaster Road North, which is the operating base for the Church.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The trustees of the charity are responsible for the leadership and management of the charity to fulfil the objectives of the charity in line with Biblical principles and legal requirements. Appointment of additional trustees is the responsibility of the existing trustees.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

City Church Preston (Registered number: 08522873)

Report of the Trustees for the year ended 31 December 2021

Approved by order of the board of trustees on 12 July 2022 and signed on its behalf by:

PJ Maltby - Trustee

Independent Examiner's Report to the Trustees of City Church Preston

Independent examiner's report to the trustees of City Church Preston ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

Neil McMillan FCA
McMillan & Co LLP
Chartered Accountants
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

12 July 2022

City Church Preston

Statement of Financial Activities for the year ended 31 December 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		53,187	2,337	55,524	43,072
Charitable activities					
Income		342	-	342	-
Investment income	3	10	-	10	34
Total		53,539	2,337	55,876	43,106
EXPENDITURE ON					
Charitable activities					
Church Activities		26,121	4,611	30,732	29,996
Building Expenses		24,089	-	24,089	8,899
Administration		10,019	-	10,019	8,454
Other		1,000	-	1,000	1,000
Total		61,229	4,611	65,840	48,349
NET INCOME/(EXPENDITURE)		(7,690)	(2,274)	(9,964)	(5,243)
RECONCILIATION OF FUNDS					
Total funds brought forward		185,815	3,128	188,943	194,186
TOTAL FUNDS CARRIED FORWARD		178,125	854	178,979	188,943

The notes form part of these financial statements

City Church Preston (Registered number: 08522873)

Balance Sheet 31 December 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	8	157,547	185	157,732	157,450
CURRENT ASSETS					
Debtors	9	4,337	10	4,347	4,229
Cash at bank		20,204	1,407	21,611	30,831
		<u>24,541</u>	<u>1,417</u>	<u>25,958</u>	<u>35,060</u>
CREDITORS					
Amounts falling due within one year	10	(3,963)	(748)	(4,711)	(3,567)
		<u>20,578</u>	<u>669</u>	<u>21,247</u>	<u>31,493</u>
NET CURRENT ASSETS					
		<u>178,125</u>	<u>854</u>	<u>178,979</u>	<u>188,943</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>178,125</u>	<u>854</u>	<u>178,979</u>	<u>188,943</u>
NET ASSETS					
		<u>178,125</u>	<u>854</u>	<u>178,979</u>	<u>188,943</u>
FUNDS					
	12				
Unrestricted funds				178,125	185,815
Restricted funds				854	3,128
				<u>178,979</u>	<u>188,943</u>
TOTAL FUNDS					

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

City Church Preston (Registered number: 08522873)

Balance Sheet - continued

31 December 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 12 July 2022 and were signed on its behalf by:

PJ Maltby - Trustee

City Church Preston

Notes to the Financial Statements for the year ended 31 December 2021

1. GENERAL INFORMATION

The charity is a registered charity in England and Wales and is unincorporated. The address of the principal office is St Thomas' Centre, Lancaster Road North, Preston, PR1 2SQ.

There are no material uncertainties about the charity's ability to continue.

The presentational currency of the financial statements is the Pound Sterling (£).

The amounts in the financial statements have been rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Governance costs are those incurred in connection with compliance and constitutional and statutory requirements.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 33% on cost

Freehold property is not depreciated. No depreciation is provided on the freehold buildings as the Trustees consider that the lives of these assets are so long and residual values, based on prices prevailing at the time of acquisition, are sufficiently high that any depreciation would be immaterial.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

City Church Preston

Notes to the Financial Statements - continued for the year ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Basic financial assets, which include debtors, prepayments and bank balances, are initially measured at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the asset is measured at the present value of the future receipts discounted at a market rate of interest. Basic financial liabilities, which include creditors, accruals, bank loans and group borrowings, are initially recognised at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the liability is measured at the present value of the future obligations discounted at a market rate of interest.

3. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>10</u>	<u>34</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Independent examination	<u>1,000</u>	1,000
Depreciation - owned assets	<u>863</u>	<u>856</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

Mr PS Counsell, a former Trustee was paid £8,892 (2020: £12,630) for his services as Lead Pastor. The payment was approved by the Board of Trustees and is permitted by the constitution, which has been approved by the Charity Commission.

Mr D Allton, the husband of one of the former Trustees was paid £6,198 (2020: £6,105) for his services as Pastor.

Trustees' expenses

Mr PS Counsell, a former Trustee was paid £Nil (2020: £Nil) towards his travel expenses as Lead Pastor.

City Church Preston

Notes to the Financial Statements - continued for the year ended 31 December 2021

6. STAFF COSTS

	2021 £	2020 £
Wages and salaries	17,999	21,730
	<u>17,999</u>	<u>21,730</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Staff	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	41,059	2,013	43,072
Investment income	34	-	34
Total	<u>41,093</u>	<u>2,013</u>	<u>43,106</u>
EXPENDITURE ON			
Charitable activities			
Church Activities	28,883	1,113	29,996
Building Expenses	8,899	-	8,899
Administration	8,454	-	8,454
Other	1,000	-	1,000
Total	<u>47,236</u>	<u>1,113</u>	<u>48,349</u>
NET INCOME/(EXPENDITURE)	<u>(6,143)</u>	<u>900</u>	<u>(5,243)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	191,958	2,228	194,186
TOTAL FUNDS CARRIED FORWARD	<u>185,815</u>	<u>3,128</u>	<u>188,943</u>

City Church Preston

Notes to the Financial Statements - continued for the year ended 31 December 2021

8. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2021	152,756	8,267	1,126	162,149
Additions	-	-	1,145	1,145
	<u>152,756</u>	<u>8,267</u>	<u>2,271</u>	<u>163,294</u>
At 31 December 2021				
DEPRECIATION				
At 1 January 2021	-	3,604	1,095	4,699
Charge for year	-	705	158	863
	<u>-</u>	<u>4,309</u>	<u>1,253</u>	<u>5,562</u>
At 31 December 2021				
NET BOOK VALUE				
At 31 December 2021	<u>152,756</u>	<u>3,958</u>	<u>1,018</u>	<u>157,732</u>
At 31 December 2020	<u>152,756</u>	<u>4,663</u>	<u>31</u>	<u>157,450</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	4,077	4,022
Prepayments	270	207
	<u>4,347</u>	<u>4,229</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts (see note 11)	748	-
Accruals and deferred income	3,963	3,567
	<u>4,711</u>	<u>3,567</u>

11. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Bank overdrafts	<u>748</u>	<u>-</u>

City Church Preston

Notes to the Financial Statements - continued for the year ended 31 December 2021

12. MOVEMENT IN FUNDS

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	185,815	(7,690)	178,125
Restricted funds			
Missions	1,497	(2,235)	(738)
Youth Funds	1,631	(39)	1,592
	<u>3,128</u>	<u>(2,274)</u>	<u>854</u>
TOTAL FUNDS	<u>188,943</u>	<u>(9,964)</u>	<u>178,979</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	53,539	(61,229)	(7,690)
Restricted funds			
Missions	2,337	(4,572)	(2,235)
Youth Funds	-	(39)	(39)
	<u>2,337</u>	<u>(4,611)</u>	<u>(2,274)</u>
TOTAL FUNDS	<u>55,876</u>	<u>(65,840)</u>	<u>(9,964)</u>

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	191,958	(6,143)	185,815
Restricted funds			
Missions	558	939	1,497
Youth Funds	1,670	(39)	1,631
	<u>2,228</u>	<u>900</u>	<u>3,128</u>
TOTAL FUNDS	<u>194,186</u>	<u>(5,243)</u>	<u>188,943</u>

City Church Preston

Notes to the Financial Statements - continued for the year ended 31 December 2021

12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	41,093	(47,236)	(6,143)
Restricted funds			
Missions	2,013	(1,074)	939
Youth Funds	-	(39)	(39)
	<u>2,013</u>	<u>(1,113)</u>	<u>900</u>
TOTAL FUNDS	<u>43,106</u>	<u>(48,349)</u>	<u>(5,243)</u>

The purpose of the restricted funds is as follows:

Missions	There are a number of small funds to support missionaries and other Christian work both in the UK and overseas.
Youth Funds	There are a number of small funds to support the work of the church with children and young people.

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021 or 31 December 2020.