

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 2017

City Church Preston

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for the year ended 31 December 2017**

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City Church Preston

**Reference and Administrative Details
for the Year Ended 31 December 2017**

TRUSTEES	DC Hogarth PJ Maltby PS Counsell Mrs T A Evenson SR Thirukumaran
REGISTERED OFFICE	28 Eaton Avenue Buckshaw Village Chorley Lancashire PR7 7NA
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

Report of the Trustees for the year ended 31 December 2017

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 2017. 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 2015).

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, both 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

Report of the Trustees for the year ended 31 December 2017

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 Alpha 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 2017 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.

Alongside the weekly Sunday services there have been additional opportunities for the Church to engage with the people of Preston, and vice versa.

These have included;

- regular children's and youth activities, both on a Sunday and on other evenings of the week.
- regular courses for adults and young people to explore the Christian faith (Alpha).
- small "Connect" groups delivered across the city.
- community events on city estates.
- social and teaching events held for all age groups.
- food parcel provision and deliver through our Hope for Life food bank team.
- schools mentoring project (in partnership with TLG) for pupils who would benefit from additional support.

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. During the year the only remunerated staff member was the full time lead pastor.

During the year all policies and procedures are reviewed (and updated where appropriate). The Safeguarding policy is reviewed and kept current in line with CCPAS advice.

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 supported missions at a cost of £13,448 (2016: £10,113). This has included direct support to missionaries working in the UK and overseas, together with support to provide a PAIS project schools worker in Preston schools.

Church premises

The church continues to look for a more permanent premises solution, but throughout 2017 continued to meet in the Invincibles Lounge at Preston North End Football Stadium for the larger gatherings (generally Sunday mornings). A temporary office was rented as part of the Smart Storage solution throughout 2017. This facility is used as a church office, a PAIS schools work office and for training and meeting space for mid week events. This situation is under constant review with the intention still to find a more central office and mid week meeting facility to either lease or buy.

City Church Preston

Report of the Trustees for the year ended 31 December 2017

ACHIEVEMENT AND PERFORMANCE 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 AOG Missions Team and North Area Leadership Team. 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.

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, PAIS, Fusion (linking into the students of UCLAN), Mercy Ministries, TLG 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 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 month's salary bill.

Additional to this is a value held in reserve for the purchase or long term lease arrangement of suitable building(s) in the centre of Preston to establish an operating base.

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.

Approved by order of the board of trustees on 14 September 2018 and signed on its behalf by:

PS Counsell - 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 2017.

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

14 September 2018

City Church Preston

Statement of Financial Activities
for the year ended 31 December 2017

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		61,444	1,190	62,634	60,202
Charitable activities					
Income		300	-	300	333
Investment income	3	<u>113</u>	<u>-</u>	<u>113</u>	<u>153</u>
Total		61,857	1,190	63,047	60,688
EXPENDITURE ON					
Charitable activities					
Church Activities		49,053	497	49,550	48,854
Minibus & Transport		-	-	-	269
Building Expenses		23,472	-	23,472	25,385
Administration		9,072	-	9,072	8,747
Other		<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Total		82,597	497	83,094	84,255
NET INCOME/(EXPENDITURE)		(20,740)	693	(20,047)	(23,567)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>196,778</u>	<u>9,968</u>	<u>206,746</u>	<u>230,313</u>
TOTAL FUNDS CARRIED FORWARD		<u>176,038</u>	<u>10,661</u>	<u>186,699</u>	<u>206,746</u>

The notes form part of these financial statements

City Church Preston

Balance Sheet
At 31 December 2017

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
FIXED ASSETS					
Tangible assets	8	2,465	364	2,829	3,303
CURRENT ASSETS					
Debtors	9	8,342	348	8,690	5,222
Cash at bank and in hand		<u>181,218</u>	<u>9,949</u>	<u>191,167</u>	<u>206,632</u>
		189,560	10,297	199,857	211,854
CREDITORS					
Amounts falling due within one year	10	(15,987)	-	(15,987)	(8,411)
NET CURRENT ASSETS		<u>173,573</u>	<u>10,297</u>	<u>183,870</u>	<u>203,443</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>176,038</u>	<u>10,661</u>	<u>186,699</u>	<u>206,746</u>
NET ASSETS		<u>176,038</u>	<u>10,661</u>	<u>186,699</u>	<u>206,746</u>
FUNDS	11				
Unrestricted funds				176,038	196,778
Restricted funds				<u>10,661</u>	<u>9,968</u>
TOTAL FUNDS				<u>186,699</u>	<u>206,746</u>

The notes form part of these financial statements

City Church Preston

Balance Sheet - continued At 31 December 2017

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2017 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.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 14 September 2018 and were signed on its behalf by:

PS Counsell -Trustee

**Notes to the Financial Statements
for the year ended 31 December 2017**

1. GENERAL INFORMATION

The charity is a registered charity in England and Wales and is unincorporated. The address of the principal office is C/o McMillan & Co LLP Chartered Accountants, 28 Eaton Avenue, Buckshaw Village, Chorley, PR7 7NA.

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 2015)', 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

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.

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

Notes to the Financial Statements - continued
for the year ended 31 December 2017

2. ACCOUNTING POLICIES - continued

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

	2017	2016
	£	£
Deposit account interest	<u>113</u>	<u>153</u>

4. NET INCOME/(EXPENDITURE)

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

	2017	2016
	£	£
Independent examination	1,000	1,000
Depreciation - owned assets	<u>624</u>	<u>860</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

Mr PS Counsell, a Trustee was paid £30,400 (2016: £34,200) 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.

Trustees' expenses

Mr PS Counsell, a Trustee was paid £254 (2016: £269) towards his travel expenses as Lead Pastor.

6. STAFF COSTS

	2017	2016
	£	£
Wages and salaries	<u>30,738</u>	<u>35,231</u>

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	59,340	862	60,202
Charitable activities			
Income	333	-	333
Investment income	<u>153</u>	<u>-</u>	<u>153</u>
Total	59,826	862	60,688

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
EXPENDITURE ON Charitable activities			
Church Activities	47,220	1,634	48,854
Minibus & Transport	269	-	269
Building Expenses	25,385	-	25,385
Administration	8,747	-	8,747
Other	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total	<u>82,621</u>	<u>1,634</u>	<u>84,255</u>
NET INCOME/(EXPENDITURE)	(22,795)	(772)	(23,567)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>219,573</u>	<u>10,740</u>	<u>230,313</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>196,778</u></u>	<u><u>9,968</u></u>	<u><u>206,746</u></u>

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2017	4,064	1,026	5,090
Additions	<u>150</u>	<u>-</u>	<u>150</u>
At 31 December 2017	<u>4,214</u>	<u>1,026</u>	<u>5,240</u>
DEPRECIATION			
At 1 January 2017	904	883	1,787
Charge for year	<u>481</u>	<u>143</u>	<u>624</u>
At 31 December 2017	<u>1,385</u>	<u>1,026</u>	<u>2,411</u>
NET BOOK VALUE			
At 31 December 2017	<u><u>2,829</u></u>	<u><u>-</u></u>	<u><u>2,829</u></u>
At 31 December 2016	<u><u>3,160</u></u>	<u><u>143</u></u>	<u><u>3,303</u></u>

Notes to the Financial Statements - continued
for the year ended 31 December 2017

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Other debtors	8,508	5,067
Prepayments	<u>182</u>	<u>155</u>
	<u><u>8,690</u></u>	<u><u>5,222</u></u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Accruals and deferred income	<u><u>15,987</u></u>	<u><u>8,411</u></u>

11. MOVEMENT IN FUNDS

	At 1/1/17 £	Net movement in funds £	At 31/12/17 £
Unrestricted funds			
General fund	196,778	(20,740)	176,038
Restricted funds			
Missions	3,058	757	3,815
Youth Fund	1,920	(64)	1,856
Building Fund	<u>4,990</u>	<u>-</u>	<u>4,990</u>
	<u>9,968</u>	<u>693</u>	<u>10,661</u>
TOTAL FUNDS	<u><u>206,746</u></u>	<u><u>(20,047)</u></u>	<u><u>186,699</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	61,857	(82,597)	(20,740)
Restricted funds			
Missions	1,190	(433)	757
Youth Fund	<u>-</u>	<u>(64)</u>	<u>(64)</u>
	<u>1,190</u>	<u>(497)</u>	<u>693</u>
TOTAL FUNDS	<u><u>63,047</u></u>	<u><u>(83,094)</u></u>	<u><u>(20,047)</u></u>

Notes to the Financial Statements - continued
for the year ended 31 December 2017

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/16 £	Net movement in funds £	At 31/12/16 £
Unrestricted Funds			
General fund	219,573	(22,795)	196,778
Restricted Funds			
Missions	3,754	(696)	3,058
Youth Fund	1,996	(76)	1,920
Building Fund	<u>4,990</u>	<u>-</u>	<u>4,990</u>
	<u>10,740</u>	<u>(772)</u>	<u>9,968</u>
TOTAL FUNDS	<u><u>230,313</u></u>	<u><u>(23,567)</u></u>	<u><u>206,746</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	59,826	(82,621)	(22,795)
Restricted funds			
Missions	862	(1,558)	(696)
Youth Fund	<u>-</u>	<u>(76)</u>	<u>(76)</u>
	<u>862</u>	<u>(1,634)</u>	<u>(772)</u>
TOTAL FUNDS	<u><u>60,688</u></u>	<u><u>(84,255)</u></u>	<u><u>(23,567)</u></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.
Building fund	For the purpose of moving to or renting a new building.

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2017 or 31 December 2016.