

Central Pentecostal Church

Report and Accounts

Year ended 31 December 2020

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

CENTRAL PENTECOSTAL CHURCH
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2020

ADDRESS FOR CORRESPONDENCE	Central Pentecostal Church Harrow Road London W2 1JP
GOVERNING DOCUMENT	Constitution adopted May 1993, amended September 2011
CHARITY REGISTRATION NUMBER	1054400
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	William Morson Uche Joyce Onyeador-Agomoh Ann Roberts Lynda Roberts (appointed March 2020)
BANKERS	Royal Bank of Scotland Kingdom Bank Lloyds Bank
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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CENTRAL PENTECOSTAL CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 December 2020.

Objects of the charity

The charity, which is a church, is governed by a constitution and is constituted as a trust.

The Bible describes the Church as a converted community of people who meet regularly to worship God together, to hear the preached sermon from the Bible, relayed in our case in accordance with the Statement of Fundamental Truths of Assemblies of God in Great Britain and Northern Ireland as approved by its General Council. As a lively, multicultural church family, based in central London, Paddington, we seek to establish the kingdom of God in our locality by seeing lives transformed through the sharing of the good news of Jesus Christ and His saving work on the cross. CPC observes baptisms, communion and infant dedication and participates in community events such as marriages and funerals when they occur. This is an indication to the public of the place and necessity of the local church. We pray for our government, police and similar institutions in support of a stable society. Our church members are united by their faith in the Lord Jesus Christ which is accompanied by a change of heart and lifestyle. We encourage each other to share God's love with others and glorify Him in the process.

In addition to the core object of establishing the kingdom of God in our local area the Church aims to relieve poverty or financial hardship; to promote and preserve continual good health by the provision of funds, goods or services where needed and to advance education in such ways and in such parts of the UK or the world as the trustees may think fit.

Summary of the charity's main activities and achievements

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

In December 2019, the Church returned to its original site on Harrow Road, into a brand-new facility commissioned by Westminster Council as part of a regeneration programme in the area, from which our Church benefitted.

At the start of 2020, the Church had plans to reach out to our new local community through various activities, however, this was short-lived as the whole country was impacted by the global pandemic, resulting in the church being forced to close indefinitely from March. The curtailed activities were thus conducted online; including Sunday services, weekly Bible studies and Trustees' meetings - an acceptable alternative, but not ideal because there is no substitute for congregating together in one location as a Christian community.

The government announced in the summer that churches were permitted to re-open from July. The Trustees then embarked upon planning the re-opening of the Church building for services again and carried out a risk assessment, giving due consideration to government guidance, to enable safe re-opening of our building. The safety of all those attending services was of foremost importance; all necessary measures were taken to ensure that social distancing, hand sanitising and a track-and-trace system were instituted.

The Church's website has been re-designed over the summer to reflect our new location and to provide a platform to announce regular Church updates and developments.

In September 2020 we re-opened our church building and resumed our Sunday services for two months until churches were again asked to close due to a second national lockdown. We resumed our Sunday services again in December before closing for the Christmas season.

The Church is grateful for the commitment of its members who continue to attend, support and participate in the church's activities, whether these have been online or during the very limited periods that we were able to function in our building.

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

Financial review

The Church's expenditure was £38,300 which is notably less than last year's £46,300, though still higher in comparison to 2020's income, which this year has been £33,600. However, donations and other income for the year were up on the previous year in spite of three lockdowns. Predominantly this is due to a successful Gift Aid claim for years 2016 – 2019, which improved the balance of income by nearly £13,800 and so the gap between income and expenditure for 2020 has been much better than recent years.

It is worth noting that the Church does not fundraise from the general public but depends solely on the faithful and generous commitment of its members.

Nevertheless CPC has increased its giving and continued its support of Premier Christian Radio and Christian Solidarity Worldwide through donations of £1,200 and £1,800 respectively (totalling £3,000 in 2020).

We expect the finances of the church to improve with an increased level of activity in the church building once the restraints of the pandemic are hopefully lifted in 2021; if not, some time beyond that as pandemic outcomes permit. CPC remain thankful to the Lord for his provision, and are of course aware of the turbulence of the times and will seek to anticipate and adapt accordingly to emerging needs.

Reserves policy

In view of the unprecedented times the trustees have determined that the charity should aim to hold unrestricted cash of no less than £50,000 (which equates to about 15 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 £336,500 and the charity is holding excess funds for the reasons below.

The Church anticipates future increased costs in the new building and so it is expecting to significantly draw upon reserves to fund new purchases, projects and/or activities.

It is also anticipated that CPC's decision to become employers of their Pastor and Treasurer will also introduce new costs and a growing need for a new approach to budgeting as the reserves amount naturally diminishes over time.

The Trustees have commenced discussion on how to better utilise its reserves and will follow through on an agreed plan in 2021 and beyond.

Governance

Responsibility for setting policy and for making operating decisions rest with the trustees who meet regularly to monitor the activities of the charity. Trustees are selected by the Church Council based on their commitment to the church, their experience and relevant service to the church.

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:

William Morson

Date: 01 August 2021

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
CENTRAL PENTECOSTAL CHURCH**

I report to the trustees on my examination of the accounts of Central Pentecostal Church ('the charity') for the year ended 31 December 2020 on pages 6 to 9 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: 03 August 2021

CENTRAL PENTECOSTAL CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	<u>Unrestricted Funds</u>		Restricted Funds	Total 2020	Total 2019
		General Funds	Designated Funds			
		£	£	£	£	£
Income receipts						
Donations		18,923	-	-	18,923	17,462
Gift aid receipts		13,388	-	-	13,388	-
Interest		1,244	-	-	1,244	2,316
Total receipts		<u>33,555</u>	<u>-</u>	<u>-</u>	<u>33,555</u>	<u>19,778</u>
Payments						
Payments in relation to charitable activities undertaken directly	2	35,228	-	-	35,228	44,968
Grants paid in relation to charitable activities undertaken by others	3	3,084	-	-	3,084	1,284
Total payments		<u>38,312</u>	<u>-</u>	<u>-</u>	<u>38,312</u>	<u>46,252</u>
Net of receipts / (payments) before transfers		(4,757)	-	-	(4,757)	(26,475)
Transfers between funds	5	(283,000)	283,000	-	-	-
Net movement in funds		<u>(287,757)</u>	<u>283,000</u>	<u>-</u>	<u>(4,757)</u>	<u>(26,475)</u>
Cash funds as at last year end		341,256	-	-	341,256	367,730
Cash funds at this year end	A	<u>53,498</u>	<u>283,000</u>	<u>-</u>	<u>336,498</u>	<u>341,256</u>

The notes on pages 8-9 form part of these accounts.

CENTRAL PENTECOSTAL CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	funds	2020	2019
	funds	funds			
	£	£	£	£	£
A Cash funds					
Cash at bank with immediate access	18,919	-	-	18,919	3,721
Notice deposits	34,580	283,000	-	317,580	253,095
Investment account	-	-	-	-	84,440
	53,498	283,000	-	336,498	341,256
B Other monetary assets					
Gift aid due to charity	2,710	-	-	2,710	15,000
	2,710	-	-	2,710	15,000
C Liabilities					
Falling due within one year:					
Accrued expenses	11,000	-	-	11,000	-
Fee for accounts preparation	-	-	-	-	540
Fee for accounts preparation and examination	840	-	-	840	-
	11,840	-	-	11,840	540
D Assets retained for charity's own use				Value	Value
				2020	2019
				£	£
Contents				27,371	26,700
				27,371	26,700

The freehold property owned by the church has been exchanged for a 999 year lease in the newly completed building built Westminster Council on its original site.

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 William Morson date 01 August 2021

The notes on pages 8-9 form part of these accounts.

CENTRAL PENTECOSTAL CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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	2020	2019
	funds	funds			
	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly					
Church worker costs (Note 4)	29,528	-	-	29,528	23,400
Rent	-	-	-	-	2,211
Utilities	619	-	-	619	-
Building work and major equipment	-	-	-	-	15,713
Repairs, maintenance and minor equipment	1,493	-	-	1,493	-
Web hosting and internet	861	-	-	861	162
Office and admin resources	121	-	-	121	208
Ministry & Mission	15	-	-	15	275
Insurance	346	-	-	346	335
Music	226	-	-	226	215
Assemblies of God contribution	600	-	-	600	600
Cleaning, refreshments and flowers	374	-	-	374	900
Governance	1,001	-	-	1,001	710
Other costs	44	-	-	44	240
	<u>35,228</u>	<u>-</u>	<u>-</u>	<u>35,228</u>	<u>44,968</u>

3 Grants and gifts paid to others

Organisations:					
Premier Radio	1,200	-	-	1,200	1,200
Christian Solidarity Worldwide [CSW]	1,800	-	-	1,800	-
Organisations < £1,000	84	-	-	84	84
	<u>3,084</u>	<u>-</u>	<u>-</u>	<u>3,084</u>	<u>1,284</u>

CENTRAL PENTECOSTAL CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4 Transactions with related parties

The following Trustee received remuneration in respect of their self-employed work for the church and not as Trustee:
 William Morson was paid £12,000 (2019: £12,000) in his capacity of pastor, as permitted by the governing document.

5 Movement of funds

	Balance at 31Dec2019	Receipts	Payments	Transfers	Balance at 31Dec2020
	£	£	£	£	£
<i>General funds</i>	341,256	33,555	(38,312)	(283,000)	53,498
<i>Designated funds</i>					
Mission fund	-	-	-	6,000	6,000
Investment fund	-	-	-	150,000	150,000
Youth ministry	-	-	-	10,000	10,000
Pandemic	-	-	-	30,000	30,000
Future employment	-	-	-	52,000	52,000
Property and equipment	-	-	-	35,000	35,000
	<u>341,256</u>	<u>33,555</u>	<u>(38,312)</u>	<u>-</u>	<u>336,498</u>
<i>Restricted funds</i>					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u><u>341,256</u></u>	<u><u>33,555</u></u>	<u><u>(38,312)</u></u>	<u><u>-</u></u>	<u><u>336,498</u></u>

The Mission fund relates to funds set aside to grant to charities with similar charitable aims and purposes.

The investment fund is a plan to invest in a charity with similar charitable aims and purposes.

The funds set aside for children's and young peoples' ministry is for the purpose of purchasing resources such as furniture, to store equipment and organise spaces for activities, and to invest in a ministry team.

The Pandemic fund has been set aside to cover any additional costs linked to the impact of the pandemic on income/expenditure balance over the coming year.

The funds designated for Future employment are to cover the likely cost of employment in the next 5 years.

The Property and equipment funds are to cover the expected costs of refurbishing the new building including expected backdated costs (as seen in the statement of assets and liabilities.)