

CITIFAITH CHURCH
A COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2023



CITIFAITH INTERNATIONAL CHURCH

COMPANY Number: 05185527

CHARITY REGISTRATION Number: 1112463

CITIFAITH CHURCH
A COMPANY LIMITED BY GUARANTEE

THE CHURCH'S LEGAL AND ADMINISTRATIVE INFORMATION

Directors / Trustees:

Lesley Everson
Lucy Edwards
Amon Bandera
Wisdom Deffor
Oludolapo Mohammed
Ayodeji Sotannde

Operational Leadership Team:

Lesley Everson – Senior Pastor
Lucy Edwards – Associate Pastor
Wisdom Deffor – Secretary
Amon Bandera – Treasury & Finance

Charity number:

1106273

Company number:

05124435

Principal office:

38 - 40 Regent Street
Swindon
Wiltshire
SN1 1JL

Bankers:

National Westminster Bank PLC
24-30 The Parade
Swindon
Wiltshire
SN1 1BA

CITIFAITH CHURCH
A COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENT
FOR THE YEAR ENDED
31 JULY 2023

CONTENTS

	PAGE
Content Page	3
Trustees Annual Report	4 - 8
Income Statement	9
Balance Sheet	10
Notes to the Financial Statements	11 - 16

CITIFAITH CHURCH
A COMPANY LIMITED BY GUARANTEE

CITIFAITH CHURCH
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 JULY 2023

The directors of the charitable company (the charity) are its trustees for the purpose of the charity law and throughout this report are collectively referred to as its trustees.

The Citifaith Church trustees present their report along with the financial statements of the charity for the year ended 31 July 2023. The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015) and comply with the charities Memorandum and Articles of Association and the Charities Act 2011.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Citifaith Church is a charitable company limited by guarantee, which was incorporated on 21st July 2004 and registered as a charity on the 8 December 2005. The company was established under a Memorandum of Association which established the objectives and the powers of the charitable company and it's governed by its Articles of Association, which was amended by a special resolution dated the 29th May 2013. In the event of the company being wound up, the members are required to contribute an amount not exceeding £10.00 towards the winding down cost.

The directors of the company are also the charity's trustees for the purpose of charity law and under the company's Articles they are also known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the senior Pastor and other directors/trustees may remain in office until they resign or are deemed unfit to hold office by a majority of the members.

The directors are responsible for making decisions on all key operational and compliance matters of general concern and importance to the church including deciding and approving on how the funds of the church are sourced and applied.

Appointment, Training and Meetings of Trustees

The names of the trustees who have served the charity during the year and those appointed since the year end are set out on the legal and administrative information page. Trustees are appointed by the board and each year one third retires by rotation and either new trustees are identified, or previous serving trustees are reappointed.

Existing and newly appointed trustees are offered either internal or external training, depending on their experience and qualification. This is offered to support and help them to undertake and fulfil their roles and responsibilities effectively.

CITIFAITH CHURCH
A COMPANY LIMITED BY GUARANTEE

CITIFAITH CHURCH
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 JULY 2023

The board of trustees meet at least four times a year (quarterly). The trustees ensure that the charity's operations and activities comply with relevant regulations and legislations, remain solvent, managed effectively and continue to deliver charitable outcomes for the benefit of the public.

The Operational Leadership Team is responsible for the day-to-day running of the charity, with an escalation to the trustees where necessary and required.

Risk Management

The trustees have continued to conduct a review of the major risks to which the church's activities and operations are exposed to during the year. A risk register established since 2004 has been kept up to date and reviewed at least annually. Where appropriate, systems or procedures have been established to mitigate the risks considered as outside the charity risk appetite.

The trustees have working relationship with an external Health and Safety company, which assist with the management of the Health and Safety risks in using the building.

OBJECTIVES AND ACTIVITIES

Objectives

The charity's purposes as set out in the objectives contained in the company's memorandum of association are as follows:

- A. The advancement of the Christian faith in accordance with the doctrines set out in the underwritten First Schedule and worship of God in the UK, and elsewhere by any means whatsoever. Including (but not by way of limitation) the preaching and proclamation of the Christian gospel, the teaching of Christian doctrine and principles, the pastoral care of Christian people and the printing and distribution of the Bible and Christian literature including video and audio recordings by any media which is available or may become available.
- B. The relief of persons who are in conditions of need, hardship or distress, aged or sick.
- C. The advancement of education on the basis of Christian principles and, without prejudice to the generality of the foregoing, the provisions of such education in any educational establishments, and if the trustees so decided the provision of one or more charitable educational establishments for the education of children or adults on the basis of such Christian principles.

PUBLIC BENEFIT

When planning the church's activities for the year, the trustees and the Operational Leadership Team takes into account the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In this regard the church ensures that its annual activities' outcomes deliver public benefit.

CITIFAITH CHURCH
A COMPANY LIMITED BY GUARANTEE
CITIFAITH CHURCH
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 JULY 2023

USE OF VOLUNTEERS

The trustees are grateful to the many volunteers who continually donate their time, money and talents to serve in the various areas of the church's activities. These areas include the worship team, the gallery, media team, ushers, and pastoral care, and Bible training, children and youth departments. Although the value of the efforts of our volunteers is not quantified in the accounts, the church would be unable to fulfil our objectives without the members' participation and voluntary contributions.

REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

Regular weekdays and weekend meetings have continued in full swing during the year to meet the public and the members' needs. Members' donations to the charity have now started to increase, however due to inflation expenses have gone up. The charity's meetings are now all back to face to face including the main Sunday church services which continue to be recorded and posted to Facebook and YouTube.

Charity Objective (a)

These objectives are progressed through the various activities and departments in the life of the church, continuing to work increasingly within the community in which it is based. The church continues to run outreach events and programs throughout the year. Employing both church staff and volunteers to provide practical help to charity organisations opening and capitalising on opportunities to evangelise.

This past financial year has seen an increase in the church members' attendance in the main Sunday services and other midweek groups' meetings. The advancement of the Christian faith in accordance with the doctrines set out therein. Various initiatives have continued during the last financial year to advance the Christian faith. Ongoing leadership development training has been provided during the last financial year, including day training sessions and by providing relevant resources to leaders.

Prayer meetings have continued over the last year with weekly meetings, pre-service meetings and monthly meetings. The worship team has continued to see an increase in both singers and musicians and are focusing on developing the media side of their department. The worship leader is part of Swindon Worship Churches Together, which seeks to increase unity between different churches in the area. They had successful worship events during the year and have plans to increase these worship events that bring people from all over Swindon together.

The work with children and young people continues to develop and evolve with groups for different ages: Little Fishes (1-3yrs) Citikids (4-11yrs), CitiYth (11-18yrs) and Young Adults (18-30yrs). CitiYth have their own weekly meetings and services, many of the youth serve in church's Sundays main services.

CITIFAIITH CHURCH
A COMPANY LIMITED BY GUARANTEE
CITIFAIITH CHURCH
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 JULY 2023

Charity Objective (b)

During the past financial year, Love Swindon (Citifaith's Community Programme) has continued to develop partnerships with other local charities and organisations to provide free services to the community. This includes regular garden and house renovation projects in partnership with Safe Families. This provides support for families in Swindon who are referred by local government.

Charity Objective (c)

Citifaith Church continues to build good relationships with local authorities developing greater partnership working in the community. The building continues to be used by other community, businesses and voluntary groups and is proving to be a useful resource for the wider community.

RESERVES POLICY

It is our policy to maintain a balance on unrestricted funds (if possible), which equates to at least three months unrestricted payments, equivalent to £45,000, to cover emergency situations that may arise from time to time. The need for the charity to hold less in reserves is due to the fact that it only employs two full time and two part time employees and the building is leased and the running costs are considered as reasonable.

The most likely reason to call on the reserves would be if attendance and giving were to diminish significantly due to loss of members. It is the charity's policy to monitor growth statistics carefully and should growth and members' donations fall significantly then measures would be taken to minimise the funding and liquidity risk.

FINANCIAL REVIEW

Income

Total income including both restricted and unrestricted received during 2022-23 was £225,223 (2021-22 was £254,543) this was a reduction in donations of 11.5% over last year. This reduction is attributed to the cost-of-living challenges which has reduced the disposal income available to members to donate.

The charity's main income stream is from tithes and offerings donated by the church members and regular attendees. In 2022-23 unrestricted tithes and offerings received was £165,028 (2021-22 was £185,854) and this was a decrease 11.2%.

Restricted offerings and donations for 2022-23 were £16,580 (2021-22 were £28,295) and this is a decrease of 41.4% and it was driven by a reduction in the members' donations to the Building Fund.

The income figure above includes £34,781 Gift Aid payments from the HMRC and this constitute 15.4% of total donations received.

CITIFAIITH CHURCH
A COMPANY LIMITED BY GURANTEE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2023

Expenditure

The expenditure for the year 2022-23 totalled £223,236 (2021-22 was £224,871) and this was a small reduction in expenditure of 0.7%, which was still much smaller when compared to the 11.5% reduction in donations.

Expenditure for the furtherance of the charity's objectives for 202-23 was £113,425 (2021-22 was £112,243) a small increase of 1%, while the management and administration costs totalled £109,811 compared to £112,628 in 2021-22 which is a reduction of 2.5%.

During the year 2022-23 salaries accounted for 44.6% of total expenditure, while in 2021-22 it was 42.1%, and the slight increase in the salary bill was due to salary increases. During this financial year the charity employed two full time employees on ministry-based positions, one on administration and another part time employee.

This Trustees' Annual Report and the Financial Statements was approved by the Citifaith Church's trustees on 19 April 2024 and filed on their behalf by:



AMON BANDERA
Trustee & Treasurer
Citifaith Church

CITIFAITH CHURCH
A COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2023

THE INCOME AND EXPENDITURE STATEMENT

		Unrestricted Funds 2022 - 23	Restricted Funds 2022 - 23	Total Funds 2022 - 23	Total Funds 2021 - 22
	<u>Note</u>	£	£	£	£
INCOME FROM:					
Voluntary sources	2	£206,062	£16,580	£222,641	£252,677
Income from charitable trading activities:		£0	£0	£0	£0
Other incoming resources	3	£2,582	£0	£2,582	£39
Charitable trading sales		£0	£0	£0	£1,827
TOTAL INCOMING RESOURCES		£208,644	£16,580	£225,223	£254,543
RESOURCES EXPENDED					
Charitable activities	4	£103,851	£9,574	£113,425	£112,243
Management and administration	5	£109,811	£0	£109,811	£112,628
TOTAL RESOURCES EXPENDED	6	£213,663	£9,574	£223,236	£224,871
SURPLUS/(DEFICIT) FOR THE YEAR		-£5,019	£7,006	£1,987	£29,672
Balances brought forward - 1 Aug 2022		£89,777	£53,806	£143,583	£113,911
Balances carried forward - 31 July 2023		£84,758	£60,812	£145,570	£143,583

CITIFaITH CHURCH
A COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2023

THE BALANCE SHEET AS AT 31 JULY 2023

		Year 2022 - 23	Year 2021 - 22
	Notes	£	£
FIXED ASSETS			
Tangible assets	7	£96,720	£98,825
CURRENT ASSETS			
Cash at bank	8	£67,940	£67,208
Debtors	9	£3,789	£4,474
		£71,729	£71,682
CREDITORS: Amounts falling due within one year	10	£8,385	£5,614
NET CURRENT ASSETS		£63,345	£66,068
TOTAL ASSETS LESS CURRENT LIABILITIES		£160,065	£164,893
CREDITORS: Amounts falling due after more than one year	11	£14,495	£21,310
NET ASSETS		£145,570	£143,583
FUNDS			
Unrestricted	12	£145,570	£143,583
Restricted		£0	£0
TOTAL FUNDS		£145,570	£143,583

For the year ended 31 July 2023, the company was entitled to exemption under Section 249 a (1) of the Companies Act 1985. No members of the church have required the company to obtain an audit of its accounts for the year in question in accordance with Section 249 b (2). The directors acknowledge their responsibility for:

- I. Ensuring the company keeps accounting records which comply with Section 221; and
- II. Preparing accounts which give a true and fair view of the state of affairs of the company as at 31 July 2023 and of its profit and loss for the financial year in accordance with Section 226 and which otherwise comply with the requirements of the Companies Act relating to accounts so far as applicable to the company.

CITIFAITH CHURCH
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2023

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation, uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102, Section 1A Small Entities – The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

b) Preparation of the accounts on a going concern basis

The trustees are of the view that whilst the level of weekly collections at church services remain uncertain, average collections remain fairly stable as is church attendance and with increased effort on hiring of the church hall, total income for the next 12 – 18 months should be sufficient to cover operating costs for the same period. On this basis, the assessment of the trustees is that the charity is a going concern.

c) Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The church and any of its departments have entitlement to the funds;
- Any performance conditions attached to the item(s) of income have been met or are fully within the control of the church;
- There is sufficient certainty that receipt of the income is considered probable and
- The amount can be measured reliably

d) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the church as per its governing objectives. Restricted funds are donations which the donor has specified that they are to be solely used for a particular purpose/objective of the church's work or for specific projects being undertaken by the church.

CITIFaITH CHURCH
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2023

e) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third-party supply for provision either services or goods. It is probable that settlement will be required and the amount of the obligation can be measured reliably.

2. VOLUNTARY SOURCES

	Unrestricted Funds 2022 - 23 £	Restricted Funds 2022 - 23 £	Total Funds 2022 - 23 £	Total Funds 2021 - 22 £
Donations tithes and Offerings	£165,028		£165,028	£185,854
Love Offerings		£4,107	£4,107	£2,851
Missions Local		£7,388	£7,388	£503
Events and Conferences	£6,253		£6,253	£5,689
Tax Recovered	£34,781		£34,781	£38,528
Building Funds		£5,085	£5,085	£19,252
	£206,062	£16,580	£222,641	£252,677

3. OTHER INCOMING RESOURCES

	Unrestricted Funds 2021 - 22 £	Restricted Funds 2021 - 22 £	Total Funds 2020 - 22 £	Total Funds 2020 - 21 £
Interest earned	£272	£0	£272	£39
Others - Sales and other contributions	£2,310	£0	£2,310	£1,827
	£2,582	£0	£2,582	£1,866
<u>Summary of income:</u>				
Voluntary resources	£206,062	£16,580	£222,641	£252,677
Other income resources	£2,582	£0	£2,582	£1,866
	£208,644	£16,580	£225,223	£254,543

CITIFaITH CHURCH
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2023

4. COSTS IN FURTHERANCE OF CHARITABLE OBJECTS

	Unrestricted Funds 2022 - 23 £	Restricted Funds 2022 - 23 £	Total Funds 2022 - 23 £	Total Funds 2021 - 22 £
<u>Provision of charitable services:</u>				
Other - Charitable	£50,522		£50,522	£56,136
Events and Conferences	£11,199		£11,199	£12,097
Guest speakers		£9,574	£9,574	£4,865
Lease payments	£31,900		£31,900	£33,000
Local Missions & Social needs	£4,302		£4,302	£1,310
Outreach & Missions	£3,914		£3,914	£4,835
Tax and N.I. Arrears - Charitable Services	£2,014		£2,014	£0
	£103,851	£9,574	£113,425	£112,243

Analysis of provision of charitable services:

	Staff Costs 2022 - 23 £	Other Costs 2022 - 23 £	Total 2022 - 23 £	Total 2021 - 22 £
Other - Charitable	£50,522		£50,522	£56,136
Events and Conferences - Expenses		£11,199	£11,199	£12,097
Guest speaker		£9,574	£9,574	£4,865
Lease payments		£31,900	£31,900	£33,000
Local Missions & Social needs		£4,302	£4,302	£1,310
Outreach & Missions		£3,914	£3,914	£4,835
Tax and N.I. Arrears - Charitable Services		£2,014	£2,014	£0
	£50,522	£62,903	£113,425	£112,243

CITIFaITH CHURCH
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2023

5. MANAGEMENT AND ADMINISTRATION COSTS

	Unrestricted Funds 2022 - 23 £	Restricted Funds 2022 - 23 £	Total Funds 2022 - 23 £	Total Funds 2021 - 22 £
Salaries	£48,939	£0	£48,939	£38,612
Office costs	£29,196	£0	£29,196	£28,894
Accountancy fees	£0	£0	£0	£0
Legal and professional	£1,685	£0	£1,685	£2,981
Depreciation	£5,315	£0	£5,315	£5,595
Maintenance and repairs	£5,201	£0	£5,201	£15,218
Gas & electricity	£15,640	£0	£15,640	£15,781
Tax and N.I. Arrears - Others	£3,836	£0	£3,836	£5,547
	£109,811	£0	£109,811	£112,628

6. TOTAL RESOURCES EXPENDED

	Staff costs 2022 - 23 £	Other costs 2022 - 23 £	Total Funds 2022 - 23 £	Total Funds 2021 - 22 £
Direct charitable expenditure	£50,522	£62,903	£113,425	£112,243
Management and administration	£48,939	£60,872	£109,811	£112,628
	£99,461	£123,775	£223,236	£224,871

2. PARTICULARS OF EMPLOYEES

The average number of full time and part time staff employed by the church during the financial year 2022 - 2023 increased remained at four (2021/22 was 4). Only one senior member of staff received a remuneration in excess of £40,000 per annum.

CITIFaITH CHURCH
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2023

7. TANGIBLE FIXED ASSETS

	Equipment	Fixtures & Fittings	Leasehold Property Improvements	Total 2022 - 23
	£	£	£	£
<u>Cost</u>				
Cost as at 1 August 2022	£69,872	£184,825	£35,000	£289,697
New additions	£2,474	£736	£0	£3,210
Cost as at 31 July 2023	£72,346	£185,561	£35,000	£292,907
<u>Depreciation</u>				
Accumulated depreciation as at 1 August 2022	£36,247	£122,049	£32,577	£190,873
Depreciation charge for the year	£1,805	£2,903	£606	£5,314
Accumulated Depreciation at 31 July 2022	£38,052	£124,952	£33,183	£196,187
<u>NET BOOK VALUE</u>				
Net Book Value at 31 July 2023	£34,294	£60,609	£1,817	£96,720
Net Book Value at 31 July 2022	£33,626	£62,776	£2,423	£98,825

8. BANK BALANCES: Bank Deposits and Current Account

	2022 - 23	2021 - 22
	£	£
<u>Bank Balances</u>		
Savings Account	£52,111	£51,839
Current Account	£15,829	£15,369
	£67,940	£67,208

CITIFAITH CHURCH
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 JULY 2023

9. **DEBTORS: Amount falling due within one year**

	2022 - 23	2021 - 22
	£	£
Energy Supplies - Prepayments	£3,789	£594
Other Debtors	£0	£3,880
	£3,789	£4,474

10. **CREDITORS: Amount falling due within one year**

	2022 - 23	2021 - 22
	£	£
Taxes and social security	£5,614	£5,614
Accruals - Rentals	£2,771	£0
	£8,385	£5,614

11. **CREDITORS: Amount falling due after more than one year**

	2022 - 23	2021 - 22
	£	£
<u>Sundry loans</u>		
Bank loans	£14,495	£21,310
Other loans	£0	£0
	£14,495	£21,310

12. **ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Total Funds 2022 - 23	Total Funds 2021 - 22
	£	£
Tangible fixed assets	£96,720	£98,825
PLUS: Current assets	£71,729	£71,681
LESS: Creditors	£22,880	£26,923
	£145,570	£143,583