

# C3 TRUST UK

England & Wales - Charity number 1119791

## Details

---

Other names	HOPE CITY CHURCH
Status	Registered
Legal form	Charitable company
Company number	<a href="#">05999100</a>
Registered	2007-06-21
Register	<a href="#">View on the Charity Commission register</a>

## Contact

---

Address	C3 Trust UK The Hope Centre Bernard Road Sheffield S2 5BQ
Phone	01142132065
Email	<a href="mailto:finance@hopecity.co.uk">finance@hopecity.co.uk</a>
Website	<a href="http://www.c3trustuk.org.uk">www.c3trustuk.org.uk</a>

## Activities

---

**Objects:** (A) TO ADVANCE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT 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 OR THE WORLD AS THE DIRECTORS FROM TIME TO TIME MAY THINK FIT.

**Activities:** We are a pentecostal church bringing hope to the cities of England; providing inspirational biblical teaching and spiritual guidance.

## Classification

---

- **How:** Provides Services
- **What:** Education/training, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities
- **Who:** Children/young People, The General Public/mankind

## Geography

---

- **Area of benefit:** UNITED KINGDOM
- City Of York
- Leeds City
- Liverpool City
- Sheffield City

## Finances

---

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,504,955	£1,776,521	£858,337	48
2024-03-31	£1,722,684	£1,827,104	£1,129,903	48
2023-03-31	£1,630,449	£1,938,017	£1,234,323	53
2022-03-31	£1,707,965	£1,836,931	£1,541,041	53
2021-03-31	£2,120,100	£3,831,904	£1,670,007	65

## Trustees

---

Name	Role	Appointed
Louise Davies	Chair	2024-05-09
Dr Ngozika Patricia Uzoamaka Anumba		2024-01-11
Dr Olawale Olarinde		2018-07-03
Joanne Hemmingfield		2021-08-19
Joseph Matthew Willis		2024-01-11
Miran Muthiah		2021-08-19

**C3 TRUST UK**

England & Wales - Charity number 1119791

---

# Accounts

---

CHARITY REGISTRATION NUMBER 1119791  
COMPANY REGISTRATION NUMBER 5999100

**C3 TRUST UK**  
**GROUP ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**



## C3 TRUST UK

### LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	O Olarinde M Muthiah J Hemmingfield L Davies (Appointed 8 May 2024) N Anumba J Willis D Anumba (Appointed 1 January 2026)
<b>Secretary</b>	S M Sherwin
<b>Charity number</b>	1119791
<b>Company number</b>	5999100
<b>Principal address</b>	The Hope Centre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Registered office</b>	The Hope Centre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Auditors</b>	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield South Yorkshire S8 0XF
<b>Bankers</b>	Barclays Bank plc City Office Sheffield S1 1NG
<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR

## C3 TRUST UK

### CONTENTS

---

	<b>Page</b>
Trustees' report	1 – 10
Statement of trustees' responsibilities	11
Independent auditors' report	12 – 15
Consolidated statement of financial activities	16 – 17
Statement of financial activities	18 – 19
Consolidated balance sheet	20
Balance sheet	21
Statement of cash flows	22
Notes to the accounts	23 – 47

# **C3 TRUST UK**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2025**

---

The Trustees present their report and consolidated accounts for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 "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**

The Articles of Association restrict the objectives of the Church to:

- a) advance the Christian faith in accordance with the Statement in such way 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 may think fit; and
- c) to advance education in such parts of the United Kingdom or the world as the directors from time to time may think fit.

Under the broad objects of the charity, each church connected to C3 Trust UK has been granted the autonomy, under a formal and agreed 'Scheme of Delegation', to define a vision for their local church which reflects their aspirations for their location and their church community. C3 Liverpool was the final church to sit under the C3 Trust UK umbrella until 1 April 2025 and continued to operate under the terms of the scheme of delegation and work within the wider structure of the Board of Trustees through the Interim Chief Executive. From January 2025 the role of Interim Chief Executive ceased to exist with the Lead Pastor of C3 Hope being the most senior officer of the charity.

All other charitable activities undertaken by the C3 Trust UK and its churches are to further the attainment of the above objectives.

The trustees have paid due regard to the guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **C3 Trust UK Churches**

Over the past year, we have continued to see an aggregated net growth in in-person attendance at church services, with C3 Hope (Sheffield) seeing an encouraging continuation in increase in membership over the period largely due to the launch of a second Sunday service in September 2024. The overall number of those attending in-person has decreased across the Trust by 9% from 907 to 824 attendees based on the previous year, taking into account the release of C3 Life from the trust. In Sheffield alone, in-person attendance has increased by over 12% over the past 12 months. As membership numbers have grown and we are seeing a confident return to in-person church attendance, online services are continuing to be streamed and are still well attended.

At local church level the charity no longer houses the remaining churches upon completion of the transition to independence.

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2025

---

Across all churches our current estimate is that we remain at approximately 1,740 members as of 31 March 2025, again factoring in the release of C3 Life in March 2024. By the end of November 2025 this has risen slightly to approximately 1,915. Figures for C3 Hope are approximated based on a proportion of the current size of the database which is due to be purged in 2026.

#### Church Membership (as per database)

Church Name	31/03/25	30/11/25	Average attendance in person
C3 Hope (Sheffield)	1650	1800	769
C3 Liverpool	90	115	55
<b>TOTALS</b>	<b>1740</b>	<b>1915</b>	<b>824</b>

Across both of our churches there are more than 370 volunteers involved in serving and leading. This level is up on the previous year despite C3 Life no longer being part of the wider charity and reflects very positive levels of engagement amongst church members and a healthy culture of volunteerism. In the coming months, the charity intends to place a greater focus on building capacity through volunteering and is continuing the process of rolling out a leadership pipeline to encourage personal growth and leadership.

Both churches, albeit not universally, operate numerous Sunday and midweek ministries including, service teams, small groups, youth and children's ministries, student and young adult ministries, men's and women's ministries, and missions and marketplace ministries, each focusing on teaching, equipping and releasing gifts and talents in others. Each is underpinned by the focus on prayer as a key foundational and intentional aspect of church design.

#### Movement Towards Independence

On 1 April 2025 C3 Liverpool became independent from C3 Trust UK in line with the planned changes to the overall structure of the charity. Despite extensive delays in being awarded charitable status, C3 Liverpool was successfully registered as a CIO on 19 September 2024. This marks the end of a period of transition which began in 2020 which has been successfully led by the Interim Chief Executive with the support and guidance of trustees and the local leadership and cooperation of Lead Pastors. Lead Pastors have expressed their thanks to the Interim Chief Executive and trustees for their support throughout what has been a time of turbulence since 2020 recognising that despite considerable progress being made over this time, the journey has not been without the significant challenges associated with organisational change.

All churches and their Lead Pastors have focused on rebuilding a strong and renewed sense of trust, a new culture and vision for the future, assembling and growing new teams, engaging new church members, enabling a greater level of transparency, managing financial risk, and creating a fresh momentum. Churches and their pastors remain connected relationally through the C3 Global movement.

During this period C3 Liverpool has experienced a successful change of leadership and a change of venue whilst maintaining a mostly static membership, seeing new commitments to Christ and believers being baptised. The transition in leadership has been led well and John and Amelia Clark are now established as Lead Pastors, able to bring their own style, values and culture to the church in Liverpool.

Trustees continue to review their role, focus and involvement to be able to revert to the place of strategic oversight, having confidence in appointed leadership and in the strength of governance which has been built in recent years. This has meant the appointment of new trustees, and a new chair of Trustees in Louise Davies in May 2024, with an intention to further strengthen the board of trustees in the coming year as C3 Trust UK has now reverted to being wholly Sheffield focused.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2025**

---

#### **Organisational Development**

Managing transition and change has been a priority for C3 Liverpool and they have successfully achieved this whilst retaining overall church membership. This has not only seen structural and governance change but also been met with the opportunity and challenge of moving away from the past and setting their sights on the future, through vision casting, teaching, leadership development and team building and a continued determination to create and maintain an honest, open and transparent culture; a key component to facilitating healthy churches.

C3 Hope has placed a significant amount of effort in managing the growth of the church, which comes with its own unique challenges. Strategic goals include its investment in people and in the development of a leadership pipeline, strengthening discipleship and pastoral care as well as building volunteerism and strengthening a staff team which individually and collectively have carried a significant weight of work and responsibility. Managing the pace of change and growth has presented challenges, but they are challenges associated with the health and growth of the church and the impact of its work.

There continues to be a clear recognition that good strategy, planning, communication, management and learning and development are all integral and essential elements which underpin the vision and values of the local church. This has led to stronger teams, greater empathy, more informed decision-making, more robust dialogue, moderation of pace and greater clarity around priorities and focus.

Trustees are greatly encouraged by the clear signs of health in terms of numeric growth, growth in generosity and engagement in the mission and work of the church.

#### **C3 Trust UK Property and Premises**

C3 Trust UK's property portfolio has changed in line with wider changes in the organisation.

C3 Trust UK currently holds a lease for 85 City Road, Newcastle, NE1 2AQ. The building is sublet by agreement with the landlord to C3 Newcastle (formerly part of C3 Trust UK). C3 Newcastle provide regular management accounts to C3 Trust UK allowing their financial strength to be monitored. The church is strong and continues to meet the terms of the sublease. At the upcoming break clause, C3 Trust UK intend to explore whether the lease can be wholly assigned to C3 Newcastle.

C3 Liverpool vacated their premises at 79-81 Kempston Street in agreement with trustees, and we were successfully in obtaining a new sub-tenant for the premises, Hillsong Church in Liverpool. Hillsong church moved into the premises in early 2024 under a simple tenancy at will, whilst working towards a full assignment of the lease to Hillsong Church. The successful assignment was completed on 12 December 2024. Trustees are encouraged that the significant investment in the premises to create a purpose built facility to house a church, has been passed on to another church, who are by all accounts thriving in their new venue. As a result, C3 Trust UK's fixed assets will reduce, but so too will the risks associated with retaining a long lease of this nature.

The Sheffield based Hope Centre, is a 54,000 ft<sup>2</sup> building which is the home of C3 Hope and comprises a large auditorium and overflow facility ('The Forge' with seating capacity for over 130 people) as well as varied and extensive conferencing and training rooms, lettable and dedicated office space, a community hub and café. In the financial year to which these accounts relate, the use of the building for conferencing continued to perform better than expected and a development plan is currently being revised to capitalise on this opportunity to fundraise for the charity using the physical asset. The recent appointment of a Development Manager is a strategic move to strengthen the team and to drive forward a strategy to maximise social value and financial

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2025**

---

yield from the building which is on the local authority's register of community assets, and has been a successful role thus far.

Trustees will continue to focus on housing a mixture of church, community and business or social enterprise activities designed to deliver church health and growth, social value and longer-term financial sustainability for the building and the church in Sheffield.

Hope Centre Limited (a subsidiary of Hope Community Foundation) manages conferencing and room hire and licensed offices for local small businesses. The income from licensed offices has helped to replace income generated from a former charity linked to C3 Trust UK which vacated the premises in 2020.

With support from capital reserves, we have been able to continue capital works in the building to improve visitor experience and upgrade key building infrastructure.

Our fundraising strategy is currently being revisited to enable us to fund a further phase of works to be undertaken over the next 3 years in order to provide further space for the growing church, additional accommodation for local businesses and new social projects targeted at local needs.

Funds previously raised for the Waverley project in Sheffield have now been successfully repurposed as part of a Special Scheme which was approved by Charity Commission in 2022. These funds have now been committed or invested into maintenance, refurbishment and efficiency of the Hope Centre.

#### **Outreach, Social Action and Missions**

The continued commitment to serving communities has been encouraging to see, with the churches continuing, where they can, to undertake outreach and social action projects commensurate with their capacity to undertake these activities. C3 Hope and C3 Liverpool have continued to operate a range of social action and outreach projects including partnering with the college C3 Liverpool use as a venue on Sundays to provide 50 hampers to those most in need amongst other opportunities.

C3 Hope operates Hope Community Foundation (Charity No 1102542), part of the C3 Trust UK group which houses an early year setting and other regular community projects and groups, impacting the lives of thousands of local people each year including a community grocery, created in partnership with The Message Trust (Charity No 1081467), which as of April 2025, at the four-year anniversary, has currently amassed over 2600 members, almost 1000 of which are active on a regular basis.

65% of beneficiaries were in our immediate disadvantaged communities of S2 and S9 postcodes. Almost 7800 individual shopping visits have been completed in the previous year alone, with almost 20,000 shops completed since the project started, providing an estimated 400,000 meals over this time to local families, as well as 172 tonnes of food being rescued from landfill since 2021.

In recent months it has been agreed with The Message Trust that Hope Community Foundation will take on the running of the grocery in a social franchise model from 1 January 2025, whilst still receiving key support from the team at The Message Trust. This has been fully embraced by the team and trustees are hopeful that this will enable the grocery to reach more and more people in the area in need of the support the grocery offers.

In the next 2 years the charity aims to grow the grocery membership to 3,250 members, specifically targeting those disadvantaged communities close to the Hope Centre where deprivation is amongst the top 10% in the UK.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2025**

---

Hope Community Foundation has continued to deliver much needed services to the local community in Sheffield, including through its community nursery (Little Ark Nursery & Pre-School) and through a growing number of community projects which have overall continued to gain momentum in the last year.

All initiatives have added significantly to the social impact delivered under Hope Community Foundation. Community projects such as Polka Dots Play Group and Jigsaw Café have helped the charity to build its support for young families and the elderly respectively. The donation-based Foundation Café provides a vital and vibrant connection point from which the social value created through each project can be compounded for beneficiaries. These vital projects have been accompanied by the more recent addition of the Café Connect project which focuses on delivering conversational English tuition mainly to immigrants coming into Sheffield from Hong Kong and the implementation of short-term projects such as a school uniform project and a series of weekly drop-ins have also been introduced to provide targeted support working in partnership with organisations such as Reed, Manor & Castle Development Trust, Sparkle Sheffield, and Citadel Business Academy. These drop-ins have provided support around employability, the cost-of-living crisis, enterprise coaching and support for families with autistic children. In addition, Hope Community Foundation has developed a signposting and support service called Pathways which aims to help people access practical support available across the city of Sheffield. Having gained initial funding for the project from Benefact Trust, the charity has been able to employ a part time coordinator for the project.

C3 Hope has developed a chaplaincy service which aims to provide pastoral support and listening services to the local community, including those who visit the Hope Centre during the week.

Hope Community Foundation has continued to extend its scope and reach and retains over 90 regular volunteers supporting and enabling the work of the charity, mostly working as part of the community grocery.

C3 Hope also hosted the Global Leadership Summit for the third time in November 2024. The Global Leadership Summit was established in the USA and the Hope Centre is one of several UK host venues for the event. This successful event attracted leaders from around the region to focus on leading people and organisations well. C3 Hope is committed to continuing to embed this leadership resource both externally and internally as part of its strategy to develop leadership capacity and capability, amongst staff, volunteers and local and regional partner organisations.

C3 Hope has also continued its commitment to international missions related work including a Missions trip to Romania and the continued strengthening of its partnership with Red Frogs. Founded in Australia, Red Frogs has had a significant impact on students and young adults and aims to establish the model in the UK and Europe.

#### **Annual Giving**

From April 2021, both churches have continued to supplement regular giving with an additional annual one-off offering in the form of a 'Vision Builders' or 'Heart for the House' appeal. This separate offering varies with each church, but continues to mostly cover building and venue costs, local missions, and ministries as well as funding other usual and general local church activities. The funds raised from these campaigns is unrestricted but designated to operational running costs for the most part and at present forms part of the income required to cover the operating costs of the respective church.

For each annual campaign the giving consists of one-off donations, standing orders and financial pledges which are redeemed during the months following the initial commitment.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2025**

---

##### **Staffing**

Salary bands brought into effect in 2020-21 financial year are continuing to provide a framework and guidance for recruitment and selection and salary reviews and trustees continue to consider making every effort to manage pressure on real time salaries arising from recent the cost-of-living crisis. Final adjustments have been made in 2024-25 to bring the salary bands into line with medium term commitments. Trustees have also made several improvements to staff terms and conditions including additional leave and sickness entitlement.

Moving forward, Trustees are keen to ensure that salaries reflect those of similar positions in the faith and voluntary sectors. The continued uplift in national living wage has, however, placed pressure on the lower end of salary bands; something which is not unique to C3 Trust UK.

As the shape of the organisation continues to change, so too do staffing requirements. The HR function has been a vital part of ensuring that we manage recruitment, role changes and redundancy processes in line with good practice. In the past year through the HR function, we have been able to design and deliver an increased amount of staff and volunteer training and development and will continue to do this under the advice and guidance of the Executive Team, with the aim in March 2026 to employ a People and Practice Manager to oversee HR and training, both for staff and volunteers.

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2025

---

#### **Subsidiary and other controlled companies**

The achievements and performance of the church's subsidiaries and other controlled companies for the year ended 31 March 2025 were as follows:

- Hope Centre Limited through its trading activities made a profit of £2,013 (2024: loss of £17,061). Closing shareholders' funds were in deficit at £623,054 (2024: £625,067). Hope Centre Limited is a limited company incorporated in England and Wales and from 1 April 2024 Hope Community Foundation owns 100% of the share capital. The share capital was previously held by C3 Trust UK. The nature of its business is the provision of conference facilities.

- Hope Community Foundation, made a deficit of £4,632 (2024: surplus of £11,581). Closing funds were £667 (2024: £5,299) of which £27,022 (2024: £27,112) were restricted and £(26,355) (2024: £(21,813)) were unrestricted. Hope Community Foundation is a charitable company registered in England and Wales. C3 Trust UK are able to appoint and remove the trustees of this charitable company and the nature of its business is the provision of nursery education and care and community based activities.

#### **Financial review**

The trustees make strategic decisions based on the financial position of the church by reference to the financial information (i.e. budgets, cash flows) provided to them. They do not however carry out the routine day to management of the church, for which the budget leader for each department is responsible.

The Statement of Financial Activities shows a net decrease in funds of £277,534 (2024: £117,528). The church has general unrestricted reserves of £450,980 excluding the revaluation reserve, compared with £696,524 the previous year. The trustees have identified that the reserves are at a low level, representing 67% (including the revaluation reserve) of annual net resources expended (2024: 80%). This percentage is much lower than the previous year. The freely available unrestricted reserves were £(47,788).

The Consolidated Statement of Financial Activities shows a net decrease in funds of £271,566 (2024: £104,420). The group has general unrestricted reserves of £1,138,514 excluding the revaluation reserve, compared with £1,380,012 the previous year. The trustees have identified that the reserves are at a low level, representing more than 67% (including the revaluation reserve) of annual net resources expended (2024: 62%). The freely available unrestricted reserves were £(79,719).

The financial results for the subsidiary entities are shown in note 26 to the accounts.

#### **Reserves**

C3 Trust UK policy in general is to continue to work towards building three months' worth of cash reserves.

Trustees are mindful of inflationary and economic pressures which inevitably have an impact on the operational costs of the organisation. Interest rates have continued to affect mortgage rates, which has a direct impact on C3 Hope. In addition, trustees are mindful of the general financial risks which C3 Trust UK continues to manage effectively at a time of economic volatility.

Trustees are cognisant of the fact that the continued move towards devolution and independence of the churches, whilst serving a longer-term goal, has short term impact on the audited financial position of C3 Trust UK. Divesting itself of fixed assets either by assignment of leases or by gifting of locally accumulated assets and cash reserves will impact on both the Balance Sheet and Depreciation. This should not detract from the underlying operational financial health of C3 Trust UK which continues to outwork a medium to long-term plan to operate with adequate financial margin and build unrestricted cash reserves.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2025**

---

##### **Recent investments**

Given the more recent history and learning which has taken place across the Charity, significant attention and investment has been devoted to health and wellbeing and towards strengthening organisational infrastructure and cultural change. As well as supporting church leaders and many of their teams through their own journey the Charity has continued to invest in building and strengthening policy and procedure particularly as it relates to the safeguarding of staff, volunteers, and the wider congregations.

Trustees remain committed to investing in change and improvement which will manage risk, promote shared values and healthy culture, and provide a sound basis for the future for everyone who has found their home in our churches irrespective of the future structure of the Charity itself.

This is reflected specifically in an intentional and coordinated approach to role-related training and development with learning needs being identified systematically and a programme of training interventions being developed to meet those needs, as well as our continued strengthening of the Human Resources function by appointing Croner as our HR Advisers.

##### **Goals and Developments**

The goals stated in the Trustees' Annual report 2023-24 have either been fully met or are well underway and Trustees are pleased with this progress.

The key goals of C3 Trust UK for the forthcoming 12-18 months are:

1. To continue with the remedial works required to The Hope Centre by beginning to design the next phase of works.
2. To continue to build staff and volunteering capacity and capability by scaling up, designing and implementing targeted, blended learning and development under the auspices of the leadership development pipeline.
3. To continue to establish and strengthen healthy church culture in every aspect of church life.
4. To further strengthen engagement in the quality and number of groups across the church and to cultivate community, discipleship, leadership development and mission.
5. To continue to effectively manage risk and build the underlying solutions which will strengthen financial sustainability over the long term, including trading income generation, fundraising and cost control.
6. To continue to establish a missional and outward-focused church bringing the good news of Jesus Christ to the world around us.

The goals represent clear intentionality around continuing to further the core objects of the charity.

##### **Structure, Governance and Management**

C3 Trust UK is a company limited by guarantee and a registered charity. The Company was incorporated on 15 November 2006 and commenced activities on 1 April 2007 when it took over the assets, liabilities and running of the Church. C3 Trust UK was formerly Hope City Church until its change of name was approved by Charity Commission on 23 September 2021.

The Trustees, who are also directors for the purpose of company law, and who served during the period are:

C Davies (Resigned 2 May 2025)  
O Olarinde  
M Muthiah  
J Hemmingfield

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2025

---

L Davies (Appointed 8 May 2024)  
N Anumba  
J Willis  
D Anumba (Appointed 1 January 2026)

Secretary:  
A E Ibbotson (Resigned 31 July 2024)  
S M Sherwin (Appointed 31 July 2024)

Trustees would like to extend their sincere thanks and appreciation to C Davies who has served the charity and the group faithfully for many years, successfully helping to steer the charity through challenging seasons.

C3 Trust UK is a registered charity which governs C3 Hope now exclusively. C3 hope has been affiliated with C3 Church Global since 2013 and seeks spiritual oversight from C3 whilst being accountable in charity and company terms to the trustees and directors of C3 Trust UK as an independent and autonomous organisation.

- C3 Hope – located in Sheffield serving the South Yorkshire Region
- C3 Liverpool – located in Liverpool and serving this city and the surrounding areas

The release of C3 Liverpool to become their own independent charity (No 1210127) from 1 April 2025 has makes C3 Hope at this stage the only congregation of C3 Trust UK until any future plans for church planting are enacted.

The former affiliated churches under C3 trust are now independent across the UK and internationally have now been operating autonomously for some time within the wider C3 movement Globally. C3 Global is a worldwide community of over 620 Christian churches that come together as one movement under the spiritual direction and leadership of C3 Church Global Directors and their Team.

In accordance with both the charity's governing documents and C3's recommendations, there are at least three Managing Trustees at any one time and Trustees who are not on the charity's payroll should be in the majority. None of the Trustees have any beneficial interest in the company. All the Trustees are also the Members of the company and guarantee to contribute £1 in the event of a dissolution or winding up. Following recent recommendations, when a Trustee vacancy occurs, potential candidates with the relevant experience, skill set, and expertise will be identified and discussed at Board meetings. Once this process has taken place, one of the Trustees will then approach the prospective candidate, with further due diligence taking place before any official appointment is made.

C3 Trust UK is a registered charity (number 1119791), and a company limited by guarantee (number 05999100).

Hope Centre Limited is now a wholly owned trading subsidiary of Hope Community Foundation (as of 1 April 2024). Hope Centre Limited operates under licence from C3 Trust UK to fundraise through secondary purpose trading activities for the benefit, and long-term sustainability of, Hope Community Foundation and the operation of the Hope Centre. Both Hope Community Foundation and Hope Centre Limited form part of the consolidated financial accounts and are part of the group of companies.

Hope Community Foundation, is a company limited by guarantee with separate charitable objects and status relates to C3 Trust UK with C3 Trust UK being a Corporate Member, effectively making Hope Community Foundation the community arm of C3 Trust UK. With its primary focus of operation and area of benefit in Sheffield at the time of this report, it operates an Ofsted Registered Early Years Day Nursery on the Sheffield

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2025**

---

church premises (The Hope Centre), and several community projects intended to deliver the social mission of C3 Trust UK and more specifically its church in Sheffield, C3 Hope.

The Trustees have continued to identify and assess and manage the major risks to which C3 Trust UK is exposed and are satisfied that the mitigation and systems are in place to limit exposure to these risks.

#### **Disclosure of Information to Auditors**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

On behalf of the Board of Trustees

**J Willis**  
Trustee

Dated: 29 January 2026

## **C3 TRUST UK**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 MARCH 2025**

---

The trustees, who are also the directors of C3 Trust UK for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK**

### **Opinion**

We have audited the financial statements of C3 Trust UK (the 'charitable company') for the year ended 31 March 2025 which comprise the consolidated Statement of Financial Activities, the parent Statement of Financial Activities, the consolidated Balance Sheet, the parent Balance Sheet, the consolidated Statement of Cash Flows, the parent Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of accounts section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusion relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year of which the accounts are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

### **Responsibilities of the trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors, enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with section 391 of Companies Act 2014. Our audit work has been undertaken, so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Michael Mealing (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

**29 January 2026**

**Chartered Accountants  
Statutory Auditor**

## C3 TRUST UK

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Unrestricted funds £	Restricted funds £	Total 2024 £
<b><u>Income from:</u></b>							
Donations and gifts	3	925,932	28,279	954,211	1,161,692	58,099	1,219,791
Grants	3	-	34,107	34,107	-	55,897	55,897
Charitable activities	4	372,468	-	372,468	371,497	-	371,497
Other trading activities	5	143,692	-	143,692	69,556	-	69,556
Investments	6	246	231	477	989	-	989
Other income	7	-	-	-	4,954	-	4,954
<b>Total income</b>		<b>1,442,338</b>	<b>62,617</b>	<b>1,504,955</b>	<b>1,608,688</b>	<b>113,996</b>	<b>1,722,684</b>
<b><u>Expenditure on:</u></b>							
Raising funds	8	103,667	-	103,667	118,756	1,279	120,035
Charitable activities	9	1,572,928	99,926	1,672,854	1,645,590	61,479	1,707,069
Other	14	-	-	-	-	-	-
<b>Total expenditure</b>		<b>1,676,595</b>	<b>99,926</b>	<b>1,776,521</b>	<b>1,764,346</b>	<b>62,758</b>	<b>1,827,104</b>
<b>Net incoming/(outgoing) resources before associated undertakings and transfers</b>		<b>(234,257)</b>	<b>(37,309)</b>	<b>(271,566)</b>	<b>(155,658)</b>	<b>51,238</b>	<b>(104,420)</b>
Gross transfers between funds		<u>(5,228)</u>	<u>5,228</u>	-	<u>4,475</u>	<u>(4,475)</u>	-
<b>Net incoming/(outgoing) resources</b>		<b>(239,485)</b>	<b>(32,081)</b>	<b>(271,566)</b>	<b>(151,183)</b>	<b>46,763</b>	<b>(104,420)</b>
<b><u>Other recognised gains and losses</u></b>							
Revaluation of tangible fixed assets		-	-	-	-	-	-

## C3 TRUST UK

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

---

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Net movement in funds</b>		(239,485)	(32,081)	(271,566)	(151,183)	46,763	(104,420)
Fund balances at 31 March 2024		<u>1,070,801</u>	<u>59,102</u>	<u>1,129,903</u>	<u>1,221,984</u>	<u>12,339</u>	<u>1,234,323</u>
<b>Fund balances at 31 March 2025</b>		<u>831,316</u>	<u>27,021</u>	<u>858,337</u>	<u>1,070,801</u>	<u>59,102</u>	<u>1,129,903</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

## C3 TRUST UK

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income from:</b>							
Donations and gifts	3	923,732	34,107	957,839	1,145,900	55,897	1,201,797
Charitable activities	4	72,774	-	72,774	102,671	-	102,671
Other trading activities	5	-	-	-	-	-	-
Investments	6	234	-	234	971	-	971
Other income	7	-	-	-	4,954	-	4,954
<b>Total income</b>		<u>996,740</u>	<u>34,107</u>	<u>1,030,847</u>	<u>1,254,496</u>	<u>55,897</u>	<u>1,310,393</u>
<b>Expenditure on:</b>							
Raising funds	8	7,176	-	7,176	28,154	-	28,154
Charitable activities	9	1,217,302	80,103	1,297,405	1,363,260	23,907	1,387,167
Other	14	<u>3,800</u>	-	<u>3,800</u>	<u>12,600</u>	-	<u>12,600</u>
<b>Total expenditure</b>		<u>1,228,278</u>	<u>80,103</u>	<u>1,308,381</u>	<u>1,404,014</u>	<u>23,907</u>	<u>1,427,921</u>
<b>Net incoming/(outgoing) resources before associated undertakings and transfers</b>		(231,538)	(45,996)	(277,534)	(149,518)	31,990	(117,528)
Gross transfers between funds		<u>(14,006)</u>	<u>14,006</u>	-	-	-	-
<b>Net incoming/(outgoing) resources</b>		(245,544)	(31,990)	(277,534)	(149,518)	31,990	(117,528)
<b>Other recognised gains and losses</b>							
Revaluation of tangible fixed assets		-	-	-	-	-	-
<b>Net movement in funds</b>		(245,544)	(31,990)	(277,534)	(149,518)	31,990	(117,528)

## C3 TRUST UK

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

---

Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Unrestricted funds £	Restricted funds £	Total 2024 £
Fund balances at 1 April 2024	<u>1,116,488</u>	<u>31,990</u>	<u>1,148,478</u>	<u>1,266,006</u>	<u>-</u>	<u>1,266,006</u>
<b>Fund balances at 31 March 2025</b>	<u>870,944</u>	<u>-</u>	<u>870,944</u>	<u>1,116,488</u>	<u>31,990</u>	<u>1,148,478</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# C3 TRUST UK

## CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2025

---

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		1,463,805		1,549,001
<b>Current assets</b>					
Stocks	16		-		100
Debtors	17		62,461		52,236
Cash at bank and in hand			<u>72,737</u>		<u>288,614</u>
			135,198		340,950
<b>Creditors: amounts falling due within one year</b>	18		<u>(187,896)</u>		<u>(136,366)</u>
Net current assets			<u>(52,698)</u>		<u>204,584</u>
<b>Total assets less current liabilities</b>			1,411,107		1,753,585
<b>Creditors: amounts falling due after one year</b>	19		<u>(552,770)</u>		<u>(623,682)</u>
<b>Net assets</b>			<u>858,337</u>		<u>1,129,903</u>
<b>Income funds</b>					
Restricted funds	22		27,021		59,102
<u>Unrestricted funds:</u>					
Retained within the charity		1,138,514		1,380,012	
Revaluation reserve		<u>315,956</u>		<u>315,956</u>	
			1,454,470		1,695,968
Non-charitable trading funds			<u>(623,154)</u>		<u>(625,167)</u>
			<u>858,337</u>		<u>1,129,903</u>

The financial statements were approved by the board of directors and authorised for issue on 29 January 2026 and are signed on its behalf by:

J Willis  
Trustee

Company Registration No. 5999100

# C3 TRUST UK

## BALANCE SHEET

AS AT 31 MARCH 2025

---

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		1,460,759		1,545,763
<b>Current assets</b>					
Stocks	16	-		100	
Debtors	17	55,027		53,975	
Cash at bank and in hand		<u>40,465</u>		<u>254,711</u>	
		95,492		308,786	
<b>Creditors: amounts falling due within one year</b>	18	<u>(143,280)</u>		<u>(104,070)</u>	
Net current assets			<u>(47,788)</u>		<u>204,716</u>
<b>Total assets less current liabilities</b>			1,412,971		1,750,479
<b>Creditors: amounts falling due in more than one year</b>	19		<u>(542,027)</u>		<u>(602,001)</u>
<b>Net assets</b>			<u>870,944</u>		<u>1,148,478</u>
<b>Income funds</b>					
Restricted funds	22		-		31,990
<u>Unrestricted funds:</u>					
General unrestricted funds		450,980		696,524	
Revaluation reserve		<u>419,964</u>		<u>419,964</u>	
			<u>870,944</u>		<u>1,116,488</u>
			<u>870,944</u>		<u>1,148,478</u>

The financial statements were approved by the board of directors and authorised for issue on 29 January 2026 and are signed on its behalf by:

J Willis  
Trustee

Company Registration No. 5999100

## C3 TRUST UK

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Group			
		2025	2025	2024	2024
		£	£	£	£
<b>Cash flow from operating activities</b>					
Cash generated from operations	28		(144,067)		78,238
<b>Investing activities</b>					
Purchase of tangible fixed assets		(4,421)		(66,111)	
Interest received		<u>477</u>		<u>989</u>	
<b>Net cash (used in)/ generated from investing activities</b>			(3,944)		(65,122)
<b>Financing activities</b>					
Repayment of bank loans		(61,617)		(51,011)	
Payment of obligations under finance lease		<u>(6,250)</u>		<u>(6,250)</u>	
<b>Net cash (used in)/generated from financing activities</b>			<u>(67,866)</u>		<u>(57,261)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(215,877)		(44,145)
Cash and cash equivalents at beginning of year			<u>288,614</u>		<u>332,759</u>
<b>Cash and cash equivalents at end of year</b>			<u>72,737</u>		<u>288,614</u>
<b>Charity</b>					
		2025	2025	2024	2024
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	28		(154,238)		65,591
<b>Investing activities</b>					
Purchase of tangible fixed assets		(3,626)		(63,062)	
Interest received		<u>234</u>		<u>971</u>	
<b>Net cash (used in)/ generated from investing activities</b>			(3,392)		(62,091)
<b>Financing activities</b>					
Repayment of bank loans		(50,366)		(39,478)	
Payment of obligations under finance lease		<u>(6,250)</u>		<u>(6,250)</u>	
<b>Net cash used in financing activities</b>			<u>(56,616)</u>		<u>(45,728)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(214,246)		(42,228)
Cash and cash equivalents at beginning of year			<u>254,711</u>		<u>296,939</u>
<b>Cash and cash equivalents at end of year</b>			<u>40,465</u>		<u>254,711</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**1 Accounting policies**

**Company information**

C3 Trust UK is a private company limited by guarantee incorporated in England and Wales. The registered office is The Hope Centre, Bernard Road, Sheffield, S2 5BQ.

**1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the main functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and leasehold properties. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future whilst recognising the issues raised in respect of going concern.

Since 2020 the charity has undergone significant internal restructure including the ongoing release of all satellite churches into independence. This has been an intentional decision made by trustees whilst recognising that this strategy would inevitably impact on the short to medium term position of the charity's net worth. The incremental impact of this devolutionary transition has been evidenced in the successive annual accounts since this time and will be reflected further in the projected position for Financial Year 2025/26 resulting from the finalisation of the transition process, through the planned release of C3 Liverpool.

Whilst the release of churches has had an impact, it has also served to divest the charity of the risks associated with a multi-site model of church, and the need to offer additional support for churches who have been unable to support themselves through local giving.

From April 2025, the intention is that the charity will comprise C3 Hope (Sheffield) only, on a reduced operating cost basis with further cost reductions being made from restructure and no requirement to provide support to other churches. Whilst our financial performance in 2025 shows a significant deficit, this is largely down to the impact of the final stages of transition, combined with capital expenditure, which was funded in the previous financial year. The remaining Sheffield location has continued to grow numerically, and we expect this to be reflected in the medium to long term by an increasing ongoing surplus beyond 2025. The charity continues to work closely to ensure tight monitoring, review and controls are in place to ensure the season of transition is concluded well and the medium to long term financial strength of the charity is established and strengthened.

All these things considered, the Trustees are confident that the charity can continue as a going concern both throughout the next twelve months and the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

**1.4 Incoming resources**

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable except insofar as they are incapable of financial measurement. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Rental income, income from the sale of resources, investment income and income from charitable activities is included in the year in which it is receivable.

Turnover from Hope Centre Limited activities represents amounts receivable for goods and services net of VAT.

**1.5 Resources expended**

Resources expended are recognised in the year in which they are incurred.

Charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes grants made to projects, costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Costs of generating funds relate to costs incurred by trading subsidiaries.

Grant expenditure is included based on the date that individual projects' expenditure has been incurred, rather than the date that the grants are defrayed to the projects.

Governance costs included those costs associated with meeting constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource, and include irrecoverable VAT.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

---

Freehold property	- 2% straight line
Leasehold property	- 2%/10%/33% straight line and over the period of lease
Fixtures, fittings and equipment	- 20% straight line

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Fixed assets costing less than £500 are not capitalised.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost.

#### 1.10 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**1.11 Pensions**

The charity operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

**1.12 Basis of consolidation**

The financial statements consolidate the accounts of C3 Trust UK and all of its subsidiary undertakings ('subsidiaries').

**1.13 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities.

**1.14 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

---

retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

***Basic financial liabilities***

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortisation cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.15 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Valuation of land and buildings**

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are as follows.

The charity has revalued its land and buildings and depreciated from each revaluation. The trustees will ensure that valuations will be made regularly and will review the values of the land and buildings shown in the accounts each year to make a judgement as to whether any evidence exists that their values are materially different to the values in the financial statements. This may take into account the state of the fabric of the buildings and the conditions in the market for the types of property owned.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 3 Donations and gifts

	<b>Group</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2025</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and gifts	925,932	28,279	954,211	1,161,692	58,099	1,219,791
Grants	<u>-</u>	<u>34,107</u>	<u>34,107</u>	<u>-</u>	<u>55,897</u>	<u>55,897</u>
	<u>925,932</u>	<u>62,386</u>	<u>988,318</u>	<u>1,161,692</u>	<u>113,996</u>	<u>1,275,688</u>

	<b>Charity</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2025</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and gifts	923,732	-	923,732	1,145,900	-	1,145,900
Grants	<u>-</u>	<u>34,107</u>	<u>34,107</u>	<u>-</u>	<u>55,897</u>	<u>55,897</u>
	<u>923,732</u>	<u>34,107</u>	<u>957,839</u>	<u>1,145,900</u>	<u>55,897</u>	<u>1,201,797</u>

#### 4 Charitable activities

	<b>Group</b>		<b>Charity</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sales within charitable activities	300,153	277,454	-	811
Charitable rental income, recharges and other income	<u>72,315</u>	<u>94,043</u>	<u>72,774</u>	<u>101,860</u>
	<u>372,468</u>	<u>371,497</u>	<u>72,774</u>	<u>102,671</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 5 Other trading activities

	Group	
	2025	2024
	£	£
Hope Centre Limited	143,692	69,556
Sales of books and resources	<u>-</u>	<u>-</u>
	<u>143,692</u>	<u>69,556</u>
	Charity	
	2025	2024
	£	£
Sales of books and resources	<u>-</u>	<u>-</u>

#### 6 Investments

	Group					
	Unrestricted funds	Restricted funds	Total 2025	Unrestricted funds	Restricted funds	Total 2024
	£	£	£	£	£	£
Interest receivable	<u>246</u>	<u>231</u>	<u>477</u>	<u>989</u>	<u>-</u>	<u>989</u>
	Charity					
	Unrestricted funds	Restricted funds	Total 2025	Unrestricted funds	Restricted funds	Total 2024
	£	£	£	£	£	£
Interest receivable	<u>234</u>	<u>-</u>	<u>234</u>	<u>971</u>	<u>-</u>	<u>971</u>

#### 7 Other income

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Sundry income	<u>-</u>	<u>4,954</u>	<u>-</u>	<u>4,954</u>
	<u>-</u>	<u>4,954</u>	<u>-</u>	<u>4,954</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 8 Raising funds

	<b>Group</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2025</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<u>Fundraising and publicity</u>						
Staging fundraising events	<u>6,795</u>	-	<u>6,795</u>	<u>27,967</u>	-	<u>27,967</u>
	<u>6,795</u>	-	<u>6,795</u>	<u>27,967</u>	-	<u>27,967</u>
<u>Trading costs</u>						
Other trading activities	<u>96,872</u>	-	<u>96,872</u>	<u>90,789</u>	<u>1,279</u>	<u>92,068</u>
	<u>103,667</u>	-	<u>103,667</u>	<u>118,756</u>	<u>1,279</u>	<u>120,035</u>

	<b>Charity</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2025</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<u>Fundraising and publicity</u>						
Staging fundraising events	<u>6,795</u>	-	<u>6,795</u>	<u>27,967</u>	-	<u>27,967</u>
	<u>6,795</u>	-	<u>6,795</u>	<u>27,967</u>	-	<u>27,967</u>
<u>Trading costs</u>						
Other trading activities	<u>381</u>	-	<u>381</u>	<u>187</u>	-	<u>187</u>
	<u>7,176</u>	-	<u>7,176</u>	<u>28,154</u>	-	<u>28,154</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 9 Charitable activities

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Staff costs	692,634	752,949	392,464	492,565
Depreciation and impairment	85,181	85,930	84,193	85,121
Church departments and events	56,897	17,511	27,360	17,511
Hospitality and gifts	33,141	36,066	33,141	36,066
Rent, rates, and service charges	110,404	165,260	96,223	154,913
Insurance and utilities	83,997	89,240	80,709	86,607
Repairs and cleaning	229,156	98,311	208,449	88,204
Hire of office equipment	7,166	13,121	6,362	11,568
Subscriptions	35,096	39,244	34,447	38,925
Postage, stationery and adverts	8,309	6,889	6,168	5,359
Telephone and fax	520	2,630	520	2,586
Motor and travel expenses	11,448	38,312	11,448	38,312
Bad and doubtful debts	7,661	(2,550)	-	-
Legal, professional and consultancy fees	68,724	90,364	58,757	80,544
Staff recruitment and training	1,035	-	-	-
General expenses	34,721	55,235	15,405	34,713
Bank interest and charges	43,503	48,923	40,008	44,539
Loss on disposal of tangible fixed assets	<u>4,436</u>	<u>119,294</u>	<u>4,436</u>	<u>119,294</u>
	1,514,029	1,656,729	1,100,090	1,336,827
Grant funding of activities (see note 10)	152,525	44,340	191,015	44,340
Share of governance costs (see note 11)	<u>6,300</u>	<u>6,000</u>	<u>6,300</u>	<u>6,000</u>
	<u>1,672,854</u>	<u>1,707,069</u>	<u>1,297,405</u>	<u>1,387,167</u>
<b>Analysis by fund</b>				
Unrestricted funds	1,572,928	1,645,590	1,217,302	1,363,260
Restricted funds	<u>99,926</u>	<u>61,479</u>	<u>80,103</u>	<u>23,907</u>
	<u>1,672,854</u>	<u>1,707,069</u>	<u>1,297,405</u>	<u>1,387,167</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 10 Grants payable

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Grants to institutions:				
C3 Sunderland	-	7,933	-	7,933
C3 Newcastle	2,454	16,407	2,454	16,407
C3 Life	-	20,000	-	20,000
C3 Liverpool	15,277	-	15,277	-
C3 Leeds	109,389	-	109,389	-
Fountain of Life	1,000	-	1,000	-
Hillsong Church	15,000	-	15,000	-
Hope Community Foundation	-	-	38,375	-
Message Trust	7,040	-	7,040	-
Hope Centre Limited	-	-	115	-
Together for Sheffield	1,200	-	1,200	-
Other	<u>1,165</u>	<u>-</u>	<u>1,165</u>	<u>-</u>
	<u>152,525</u>	<u>44,340</u>	<u>191,015</u>	<u>44,340</u>

Grants were paid to individual C3 churches on leaving the C3 Trust UK group during the year.

#### 11 Support costs

	Group and Charity					
	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Audit fees	<u>-</u>	<u>6,300</u>	<u>6,300</u>	<u>-</u>	<u>6,000</u>	<u>6,000</u>
	<u>-</u>	<u>6,300</u>	<u>6,300</u>	<u>-</u>	<u>6,000</u>	<u>6,000</u>
Analysed between Charitable activities	<u>-</u>	<u>6,300</u>	<u>6,300</u>	<u>-</u>	<u>6,000</u>	<u>6,000</u>

#### Group

Governance costs includes payments to the auditors of £6,300 (2024: £6,000) for audit fees. Charitable activities costs includes payments of £10,415 (2024: £9,450) to the auditors for other services.

#### Charity

Governance costs includes payments to the auditors of £6,300 (2024: £6,000) for audit fees. Charitable activities costs includes payments of £6,090 (2024: £6,450) to the auditors for other services.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

---

#### 12 Trustees

C Davies received emoluments of £48,574 (2024: £48,325) and pension contributions of £2,550 (2024: £2,550) during the year. A company owned and controlled by C Davies and his wife received £nil (2024: £676) for providing payroll and consultancy services to the charity. They received £nil (2024: £1,947) for providing payroll and consultancy services to the group.

J Willis received emoluments of £39,347 (2024: £8,479) and pension contributions of £1,180 (2024: £254) during the year.

None of the other trustees received emoluments or benefits during the year (2024: £nil).

The church's constitution expressly permits trustees to be remunerated provided certain conditions are met.

Donations received from five (2024: one) trustees during the year amounted to £74,079 (2024: £11,405).

#### 13 Employees

##### Number of employees

The average number of employees during the year was:

	Group		Charity	
	2025 Number	2024 Number	2025 Number	2024 Number
Trustees of C3 Trust UK	6	6	6	6
Trustees / directors of subsidiaries	6	6	-	-
Employees	<u>48</u>	<u>52</u>	<u>15</u>	<u>19</u>
	<u>60</u>	<u>64</u>	<u>21</u>	<u>25</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 13 Employees (continued)

##### Employment costs

			<b>Group</b>			
	<b>Raising funds</b>	<b>Charitable activities</b>	<b>2025</b>	<b>Raising funds</b>	<b>Charitable activities</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	78,482	643,543	722,025	56,528	679,877	736,405
Social security costs	4,206	31,845	36,051	2,951	49,800	52,751
Other pension costs	<u>1,577</u>	<u>17,247</u>	<u>18,824</u>	<u>1,274</u>	<u>23,272</u>	<u>24,546</u>
	<u>84,265</u>	<u>692,634</u>	<u>776,899</u>	<u>60,753</u>	<u>752,949</u>	<u>813,702</u>
					<b>Charity</b>	
					<b>2025</b>	<b>2024</b>
					<b>£</b>	<b>£</b>
Wages and salaries					362,324	439,681
Social security costs					19,522	35,856
Other pension costs					<u>10,618</u>	<u>17,028</u>
					<u>392,464</u>	<u>492,565</u>
					<b>Group and Charity</b>	
					<b>2025</b>	<b>2024</b>
The number of employees whose annual remuneration was £60,000 or more were;					=	=

#### 14 Other

	<b>Group</b>		<b>Charity</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bad debts	-	-	<u>3,800</u>	<u>12,600</u>
	=	=	<u>3,800</u>	<u>12,600</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 15 Tangible fixed assets

	Group		Total £
	Long leasehold property £	Fixtures fittings & equipment £	
<b>Cost</b>			
At 1 April 2024	1,596,974	929,461	2,526,435
Additions at cost	-	4,421	4,421
Disposals	-	(202,166)	(202,166)
At 31 March 2025	<u>1,596,974</u>	<u>731,716</u>	<u>2,328,690</u>
<b>Depreciation and impairment</b>			
At 1 April 2024	161,995	815,439	977,434
Charge for the year	55,656	29,525	85,181
Eliminated on disposals	-	(197,730)	(197,730)
At 31 March 2025	<u>217,651</u>	<u>647,234</u>	<u>864,885</u>
<b>Carrying amount</b>			
At 31 March 2025	<u>1,379,323</u>	<u>84,482</u>	<u>1,463,805</u>
At 31 March 2024	<u>1,434,979</u>	<u>114,022</u>	<u>1,549,001</u>
	Charity		Total £
	Long leasehold property £	Fixtures fittings & equipment £	
<b>Cost</b>			
At 1 April 2024	1,596,974	864,724	2,461,698
Additions at cost	-	3,626	3,626
Disposals	-	(190,975)	(190,975)
At 31 March 2025	<u>1,596,974</u>	<u>677,375</u>	<u>2,274,349</u>
<b>Depreciation and impairment</b>			
At 1 April 2024	161,995	753,940	915,935
Charge for the year	55,656	28,537	84,193
Eliminated on disposals	-	(186,539)	(186,539)
At 31 March 2025	<u>217,651</u>	<u>595,939</u>	<u>813,590</u>
<b>Carrying amount</b>			
At 31 March 2025	<u>1,379,323</u>	<u>81,436</u>	<u>1,460,759</u>
At 31 March 2024	<u>1,434,979</u>	<u>110,784</u>	<u>1,545,763</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

**15 Tangible fixed assets (continued)**

Some of the church's leasehold land and buildings were externally revalued at £1,300,000 at their open market value in March 2023 by White & Co, Chartered Surveyors. Improvements to leasehold premises with a net book value of £9,883 are included within the fixed assets of Hope Community Foundation (a charitable company controlled by C3 Trust UK) which has a sublease on part of the premises. The trustees are of the opinion that the value at 31 March 2025 would not differ significantly from this valuation.

**Group**

Some of the charity's leasehold and freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2025 amounting to 47% (2024: 50%) of their net book value as stated in these accounts.

**Charity**

Some of the charity's leasehold and freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2025 amounting to 46% (2024: 50%) of their net book value as stated in these accounts.

**Comparable historical cost for the land and buildings included at valuation:**

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Cost	1,517,030	1,517,030	1,401,120	1,401,120
Accumulated depreciation	<u>752,756</u>	<u>719,959</u>	<u>646,729</u>	<u>618,720</u>
At 31 March 2025	<u>764,274</u>	<u>797,071</u>	<u>754,391</u>	<u>782,400</u>

All other tangible fixed assets are stated at historical cost.

**16 Stocks**

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Goods for resale	<u>-</u>	<u>100</u>	<u>-</u>	<u>100</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 17 Debtors

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	34,841	29,385	7,074	9,624
Amounts due from subsidiary undertakings	-	-	21,500	21,500
Other debtors	23,460	14,630	23,459	14,630
Prepayments and accrued income	<u>4,160</u>	<u>8,221</u>	<u>2,994</u>	<u>8,221</u>
	<u>62,461</u>	<u>52,236</u>	<u>55,027</u>	<u>53,975</u>

#### 18 Creditors: amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Bank loans and overdrafts	68,777	69,627	54,495	51,137
Obligations under finance leases	6,250	6,250	6,250	6,250
Trade creditors	60,235	2,979	50,330	2,139
Taxation and social security	12,245	10,757	4,793	8,857
Other creditors	16,995	23,982	10,333	16,814
Accruals	<u>23,394</u>	<u>22,771</u>	<u>17,079</u>	<u>19,154</u>
	<u>187,896</u>	<u>136,366</u>	<u>143,280</u>	<u>104,070</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 19 Creditors: amounts falling due after more than one year

	Group	
	2025	2024
	£	£
Mortgage and hire purchase	<u>552,770</u>	<u>623,682</u>
<b>Analysis of mortgage and loan</b>		
Not wholly repayable within five years by instalments	283,611	293,487
Wholly repayable within five years	341,664	<u>393,404</u>
	625,275	686,891
Included in current liabilities	<u>(72,505)</u>	<u>(63,209)</u>
	<u>552,770</u>	<u>623,682</u>
<b>Loan maturity analysis</b>		
Debt due in one year or less	72,505	69,458
In more than one year but not more than two years	73,286	89,302
In more than two years but not more than five years	195,873	234,644
In more than five years	<u>283,611</u>	<u>293,487</u>
	<u>625,275</u>	<u>686,891</u>

The mortgages are secured by first legal charges over the group's freehold and leasehold land and buildings.

	Charity	
	2025	2024
	£	£
Mortgage and hire purchase	<u>542,027</u>	<u>602,001</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments	283,612	293,487
Wholly repayable within five years	<u>319,160</u>	<u>365,900</u>
	602,772	659,387
Included in current liabilities	<u>(60,745)</u>	<u>(57,386)</u>
	<u>542,027</u>	<u>602,001</u>
<b>Loan maturity analysis,</b>		
Debt due in one year or less	60,745	57,386
In more than one year but not more than two years	62,543	77,230
In more than two years but not more than five years	195,872	231,284
In more than five years	<u>283,612</u>	<u>293,487</u>
	<u>602,772</u>	<u>659,387</u>

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

---

#### 20 Finance lease commitments

	Group and Charity	
	2025	2024
	£	£
Payable within one year	6,250	6,250
Payable after one year	<u>4,687</u>	<u>10,937</u>
	<u>10,937</u>	<u>17,187</u>

#### 21 Pension and other post-retirement benefit commitments

##### Defined contribution

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Contributions payable by the group and charity for the year	<u>18,824</u>	<u>24,546</u>	<u>10,618</u>	<u>12,798</u>

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the fund.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	<b>Group Movement in funds</b>								
	<b>Balance at 1 April 2023</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2024</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2025</b>
Benefact Trust	-	7,200	(7,200)	-	-	-	-	-	-
Veolia	-	48,697	(16,707)	-	31,990	-	(31,834)	(156)	-
Sheffield City Council	-	-	-	-	-	34,107	(48,269)	14,162	-
Henry Smith Charity	6,110	17,000	(28,249)	5,139	-	-	-	-	-
Hope Hampers	2,808	-	-	(2,808)	-	-	-	-	-
Neon Schools Programme	13	-	(7)	-	6	-	-	(6)	-
Befriending/ Jigsaw Services	296	10,044	(1,568)	-	8,772	-	-	(8,772)	-
Poka Dot Playgroup	-	600	(1,713)	1,113	-	-	-	-	-
Share the Light	2,839	5,265	(185)	(7,919)	-	-	-	-	-
Pathways	273	190	(271)	-	192	8,479	(2,836)	-	5,835
National Lottery	-	-	-	-	-	19,800	(2,475)	-	17,325
Postcode Funds	-	25,000	(6,858)	-	18,142	231	(14,512)	-	3,861
	<u>12,339</u>	<u>113,996</u>	<u>(62,758)</u>	<u>(4,475)</u>	<u>59,102</u>	<u>62,617</u>	<u>(99,926)</u>	<u>5,228</u>	<u>27,021</u>

**C3 TRUST UK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

**22 Restricted funds (continued)**

	<b>Charity Movement in funds</b>								
	<b>Balance at 1 April 2023</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2024</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2025</b>
Benefact Trust	-	7,200	(7,200)	-	-	-	-	-	-
Sheffield City Council	-	-	-	-	-	34,107	(48,269)	14,162	-
Veolia	<u>-</u>	<u>48,697</u>	<u>(16,707)</u>	<u>-</u>	<u>31,990</u>	<u>-</u>	<u>(31,834)</u>	<u>(156)</u>	<u>-</u>
	<u>-</u>	<u>55,897</u>	<u>(23,907)</u>	<u>-</u>	<u>31,990</u>	<u>34,107</u>	<u>(80,103)</u>	<u>14,006</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**22 Restricted funds (continued)**

Funds received from Benefact Trust and Veolia during the year are all towards significant capital work, specifically reception and café area refurbishments along with solar panels and new signage on the Hope Centre.

Funds received from Sheffield City Council during the year were all towards the costs of new boilers, radiators and insulation in the property.

Pathways is a listening and signposting process designed to enable us to meet the multiple needs of our service users. It recognises that people connect with us often and mostly at a single point of need but meeting that need doesn't necessarily provide that person with the full support they need to help them to move forward in life. The signposting process helps to identify other needs and connect people with other services which they may find useful as well as providing them with an opportunity to connect with one of our chaplaincy team from the church if they so wish who can provide them with pastoral support.

Postcode Funds have been received in order to carry out necessary capital upgrades.

National Lottery funds have been received to fund staff working in the Community Grocery.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 23 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Group			Total 2024 £
			Total 2025 £	Unrestricted	Restricted	
				funds 2024 £	funds 2024 £	
Fund balances at 31 March 2025 are represented by:						
Tangible assets	1,463,805	-	1,463,805	1,549,001	-	1,549,001
Current assets/(liabilities)	(79,719)	27,021	(52,698)	145,482	59,102	204,584
Long term liabilities	<u>(552,770)</u>	<u>-</u>	<u>(552,770)</u>	<u>(623,682)</u>	<u>-</u>	<u>(623,682)</u>
	<u>831,316</u>	<u>27,021</u>	<u>858,337</u>	<u>1,070,801</u>	<u>59,102</u>	<u>1,129,903</u>

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted	Restricted	Total 2024 £
				funds 2024 £	funds 2024 £	
				Unrealised gains included above:		
On tangible fixed assets	<u>315,956</u>	<u>-</u>	<u>315,956</u>	<u>315,956</u>	<u>-</u>	<u>315,956</u>
	<u>315,956</u>	<u>-</u>	<u>315,956</u>	<u>315,956</u>	<u>-</u>	<u>315,956</u>

Reconciliation of movements in unrealised gains:						
Unrealised gains at 1 April 2024	315,956	-	315,956	315,956	-	315,956
Revalued element of fixed assets sold during period	-	-	-	-	-	-
Revaluation of tangible fixed asset	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Unrealised gains at 31 March 2025	<u>315,956</u>	<u>-</u>	<u>315,956</u>	<u>315,956</u>	<u>-</u>	<u>315,956</u>
--------------------------------------	----------------	----------	----------------	----------------	----------	----------------

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 23 Analysis of net assets between funds (continued)

	Unrestricted funds 2025 £	Restricted funds 2025 £	Charity			Total 2024 £
			Total 2025 £	Unrestricted	Restricted	
				funds 2024 £	funds 2024 £	
Fund balances at 31 March 2024 are represented by:						
Tangible assets	1,460,759	-	1,460,759	1,545,763	-	1,545,763
Current assets/(liabilities)	(47,788)	-	(47,788)	172,726	31,990	204,716
Long term liabilities	<u>(542,027)</u>	<u>-</u>	<u>(542,027)</u>	<u>(602,001)</u>	<u>-</u>	<u>(602,001)</u>
	<u>870,944</u>	<u>-</u>	<u>870,944</u>	<u>1,116,488</u>	<u>31,990</u>	<u>1,148,478</u>

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Charity		Total 2024 £
				Unrestricted	Restricted	
				funds 2024 £	funds 2024 £	
Unrealised gains included above:						
On tangible fixed assets	<u>419,964</u>	<u>-</u>	<u>419,964</u>	<u>419,964</u>	<u>-</u>	<u>419,964</u>
	<u>419,964</u>	<u>-</u>	<u>419,964</u>	<u>419,964</u>	<u>-</u>	<u>419,964</u>

Reconciliation of movements in unrealised gains:						
Unrealised gains at 1 April 2024	419,964	-	419,964	419,964	-	419,964
Revalued element of fixed assets sold during period	-	-	-	-	-	-
Revaluation of tangible fixed asset	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unrealised gains at 31 March 2025	<u>419,964</u>	<u>-</u>	<u>419,964</u>	<u>419,964</u>	<u>-</u>	<u>419,964</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 24 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Within one year	57,365	77,750	57,365	77,750
Between two and five years	4,226	-	4,226	-
In over five years	-	-	-	-
	<u>61,591</u>	<u>77,750</u>	<u>61,591</u>	<u>77,750</u>

#### Capital commitments

The group and charity had no capital commitments at 31 March 2025.

#### 25 Related party transactions

Mrs L Willis, the wife of a trustee, was employed by C3 Trust UK during the year and received emoluments of £29,575 (2024: £6,542) and pension contributions of £905 (2024: £196).

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Aggregate compensation	<u>150,124</u>	<u>107,321</u>	<u>136,991</u>	<u>107,321</u>

The trustees review payments made to employees in similar managerial positions in other churches and similar organisations when considering the levels of pay for key managers. The trustees also take into consideration the ability of the charitable company to be able to pay such salaries.

#### 26 Subsidiaries

These financial statements are separate company financial statements for C3 Trust UK.

As of 1 April 2024 the shares in Hope Centre Limited were transferred from C3 Trust UK to Hope Community Foundation. Due to its control over Hope Community Foundation, C3 Trust UK remains the ultimate controlling party of Hope Centre Limited.

The charity has control of 100% of the assets and trade of **Hope Community Foundation** a charitable company limited by guarantee. The company operates as a children's nursery on church premises utilising assets purchased by the charity and carries out other community based activities. Hope Community Foundation became a registered charity in March 2004 (charity number 1102542). At the year-end Hope Community Foundation had net assets of £667 (2024: £5,299). During the year ended 31 March 2025 its total incoming resources were £398,190 (2024: £350,534) and its total resources expended were £402,822 (2024: £338,953) leaving a net decrease in funds of £4,632 (2024: £11,581 increase).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**26 Subsidiaries (continued)**

Hope Community Foundation owns 100% of the ordinary share capital of **Hope Centre Limited** a trading company which generates funds for the church. Hope Centre Limited began trading on 1 April 2003, it operates from church premises and its principal activity is the letting of conference facilities and running a children's play area and café. At 31 March 2025 the net liabilities of Hope Centre were £623,054 (2024: £625,067). Its turnover for the year ended 31 March 2024 was £144,333 (2024: £75,145) and its total resources expended were £142,320 (2024: £92,206) leaving a profit for the year of £2,013 (2024: £17,061 loss).

**27 Events after the reporting date**

The Nursery which is currently operated by Hope Community Foundation is due to be sold in February 2026 to another charity for a nominal £1. They will take over the running activities of the Nursery along with the staff and will rent the premises from C3 Trust UK.

Hope Community Foundation's main activities will then become running the café and community grocery.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

#### 28 Cash generated from operations

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Deficit for the year	(271,566)	(104,420)	(277,534)	(117,528)
Adjustments for:				
Investment income recognised in statement of financial activities	(477)	(989)	(234)	(971)
Loss/(gain) on disposal of tangible fixed assets	4,436	119,294	4,436	119,294
Depreciation and impairment of tangible fixed assets	85,181	85,930	84,193	85,121
Movements in working capital:				
Decrease/(increase) in stock	100	50	100	-
Decrease/(increase) in debtors	(10,225)	15,107	(1,052)	11,164
(Decrease)/increase in creditors	48,484	(36,734)	35,853	(31,489)
Increase/(decrease) in deferred income	-	-	-	-
<b>Cash generated from/(absorbed by) operations</b>	<u>(144,067)</u>	<u>78,238</u>	<u>(154,238)</u>	<u>65,591</u>

#### 29 Analysis of changes in net (debt)/funds

	Group		
	At 1 April 2024 £	Cash flows	At 31 March 2025 £
Cash at bank and in hand	288,614	(215,877)	72,737
Loans falling due within one year	(63,209)	(3,046)	(66,255)
Loans falling due after more than one year	(623,682)	70,912	(552,770)
Obligations under finance leases	<u>(17,187)</u>	<u>6,250</u>	<u>(10,937)</u>
	<u>(415,464)</u>	<u>(141,761)</u>	<u>(557,225)</u>
	Charity		
	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	254,711	(214,246)	40,465
Loans falling due within one year	(51,137)	(3,358)	(54,495)
Loans falling due after more than one year	(591,064)	53,724	(537,340)
Obligations under finance leases	<u>(17,187)</u>	<u>6,250</u>	<u>(10,937)</u>
	<u>(404,677)</u>	<u>(157,630)</u>	<u>(562,307)</u>

**C3 TRUST UK**

England & Wales - Charity number 1119791

---

# Accounts

---

CHARITY REGISTRATION NUMBER 1119791  
COMPANY REGISTRATION NUMBER 5999100

**C3 TRUST UK**  
**GROUP ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

## C3 TRUST UK

### LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	C Davies O Olarinde M Muthiah J Hemmingfield L Davies N Anumba J Willis	(Appointed 8 May 2024) (Appointed 11 January 2024) (Appointed 11 January 2024)
<b>Secretary</b>	S M Sherwin	
<b>Charity number</b>	1119791	
<b>Company number</b>	5999100	
<b>Principal address</b>	The Hope Centre Bernard Road Sheffield South Yorkshire S2 5BQ	
<b>Registered office</b>	The Hope Centre Bernard Road Sheffield South Yorkshire S2 5BQ	
<b>Auditors</b>	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield South Yorkshire S8 0XF	
<b>Bankers</b>	Barclays Bank plc City Office Sheffield S1 1NG	
<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR	

# C3 TRUST UK

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 – 10
Statement of trustees' responsibilities	11
Independent auditors' report	12 – 15
Consolidated statement of financial activities	16 – 17
Statement of financial activities	18 – 19
Consolidated balance sheet	20
Balance sheet	21
Statement of cash flows	22
Notes to the accounts	23 – 46

# C3 TRUST UK

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2024

---

The Trustees present their report and consolidated accounts for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 "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**

The Articles of Association restrict the objectives of the Church to:

- a) advance the Christian faith in accordance with the Statement in such way 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 may think fit; and
- c) to advance education in such parts of the United Kingdom or the world as the directors from time to time may think fit.

Under the broad objects of the charity, each church congregation connected to C3 Trust UK has been granted the autonomy, under a formal and agreed 'Scheme of Delegation', to define a vision for their local church which reflects their aspirations for their location and their church community. In this year all churches have continued to operate under the terms of the scheme of delegation and work within the wider structure of the Board of Trustees through the Interim Chief Executive. From January 2025 the role of Interim Chief Executive will cease to exist with the Lead Pastor of C3 Hope being the most senior officer of the charity.

All other charitable activities undertaken by the C3 Trust UK and its churches are to further the attainment of the above objectives.

The trustees have paid due regard to the guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **C3 Trust UK Churches**

Over the past year, we have continued to see an aggregated net growth in in-person attendance at church services, with C3 Hope (Sheffield) seeing an encouraging increase in membership over the period leading to the launch of a second Sunday service in September 2024. The overall number of those attending in-person has increased by 30% based on the previous year to 907 attendees, meaning that in-person attendance has increased by over 60% over the past two years. Despite membership numbers seeing moderate growth we are clearly now seeing a confident return to in-person church attendance despite online services being streamed and well attended.

At local church level the charity currently houses the remaining churches pending completion of the transition to independence. The work of the local churches is led by each of the Lead Pastors for each church. Each church then has its own local leadership which acts primarily to ensure that the local vision of the church is advanced, whilst recognising the connection and interdependence that remains across all the churches which form part of C3 Trust UK.

# C3 TRUST UK

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

---

Across all churches our current estimate is that we remain at approximately 1,855 members as of 31 March 2024. By the end of November 2024 this has risen slightly to approximately 1,942, although from April 2023, C3 Newcastle and C3 Sunderland became independent and are no longer included in these statistics. Figures for C3 Hope are approximated based on a proportion of the current size of the database which is due to be purged in 2025.

#### Church Membership (as per database)

Church Name	31/03/24	30/11/24	Average attendance in person
C3 Hope (Sheffield)	1500	1600	757
C3 YRKS (Leeds & York)	285	247	95
C3 Liverpool	70	95	55
<b>TOTALS</b>	<b>1855</b>	<b>1942</b>	<b>907</b>

Across all our churches there are more than 360 volunteers involved in serving and leading. This level of compares well with the previous year and reflects positive levels of engagement amongst church members and a healthy culture of volunteerism. In coming months, the charity intends to place a greater focus on building capacity through volunteering and is embarking on a process designed to create a leadership pipeline to encourage personal growth and leadership.

The churches, albeit not universally, operate numerous Sunday and midweek ministries including, service teams, small groups, youth and children's ministries, student and young adult ministries, men's and women's ministries, and missions and marketplace ministries, each focusing on teaching, equipping and releasing gifts and talents in others. Each is underpinned by the focus on prayer as a key foundational and intentional aspect of church design.

#### Movement Towards Independence

On 1 April 2024 C3 LIFE became independent from C3 Trust UK in line with the planned changes to the overall structure of the charity. Despite extensive delays in being awarded charitable status, C3 Liverpool was successfully registered as a CIO on 19 September 2024 and will transition no later than 31 March 2025. This will mark the end of a period of transition which began in 2020 which has been successfully led by the Interim Chief Executive with the support and guidance of trustees and the local leadership and cooperation of Lead Pastors. Lead Pastors have expressed their thanks to the Interim Chief Executive and trustees for their support throughout what has been a time of turbulence since 2020 recognising that despite considerable progress being made over this time, the journey has not been without the significant challenges associated with organisational change.

All churches and their Lead Pastors have focused on rebuilding a strong and renewed sense of trust, a new culture and vision for the future, assembling and growing new teams, engaging new church members, enabling a greater level of transparency, managing financial risk, and creating a fresh momentum. Churches and their pastors remain connected relationally through the C3 Global movement.

During this period C3 Liverpool has experienced a successful change of leadership and a change of venue whilst maintaining a mostly static membership, seeing new commitments to Christ and believers being baptised. The transition in leadership has been led well and John and Amelia Clark are now established as Lead Pastors, able to bring their own style, values and culture to the church in Liverpool.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

---

C3 LIFE has not only successfully set up a new charity in this period but also rebranded the church itself in both Leeds and York, moving away from the previous and temporary brand of C3 YRKS to make the commencement of a new start for the church in Leeds and York.

Trustees continue to review their role, focus and involvement to be able to revert to the place of strategic oversight, having confidence in appointed leadership and in the strength of governance which has been built in recent years. This has meant the appointment of new trustees and an intention to further strengthen the board of trustees in the coming year as C3 Trust UK reverts to being wholly Sheffield focused.

#### **Organisational Development**

Managing transition and change have been a priority for C3 Liverpool and C3 LIFE and have successfully achieved this whilst retaining overall church membership. This has not only seen structural and governance change but also been met with the opportunity and challenge of moving away from the past and setting their sights on the future, through vision casting, teaching, leadership development and team building and a continued determination to create and maintain an honest, open and transparent culture; a key component to facilitating healthy churches.

C3 Hope has placed a significant amount of effort in managing the growth of the church, which comes with its own unique challenges. Strategic goals include its investment in people and in the development of a leadership pipeline, strengthening discipleship and pastoral care as well as building volunteerism and strengthening a staff team which individually and collectively have carried a significant weight of work and responsibility. Managing the pace of change and growth has presented challenges, but they are challenges associated with the health and growth of the church and the impact of its work.

There continues to be a clear recognition that good strategy, planning, communication, management and learning and development are all integral and essential elements which underpin the vision and values of the local church. This has led to stronger teams, greater empathy, more informed decision-making, more robust dialogue, moderation of pace and greater clarity around priorities and focus.

Trustees are greatly encouraged by the clear signs of health in terms of numeric growth, growth in generosity and engagement in the mission and work of the church.

#### **C3 Trust UK Property and Premises**

C3 Trust UK's property portfolio has changed in line with wider changes in the organisation.

C3 Trust UK currently holds a lease for 85 City Road, Newcastle, NE1 2AQ. The building is sublet by agreement with the landlord to C3 Newcastle (formerly part of C3 Trust UK). C3 Newcastle provide regular management accounts to C3 Trust UK allowing their financial strength to be monitored. The church is strong and continues to meet the terms of the sublease. At the upcoming break clause, C3 Trust UK intend to explore whether the lease can be wholly assigned to C3 Newcastle.

C3 Liverpool vacated their premises at 79-81 Kempston Street in agreement with trustees, and we were successfully in obtaining a new sub-tenant for the premises, Hillson Church in Liverpool. Hillsong church moved into the premises in early 2024 under a simple tenancy at will, whilst working towards a full assignment of the lease to Hillsong Church. The successful assignment was completed on 12 December 2024. Trustees are encouraged that the significant investment in the premises to create a purpose built facility to house a church, has been passed on to another church, who are by all accounts thriving in their new venue. As a result, C3 Trust UK's fixed assets will reduce, but so too will the risks associated with retaining a long lease of this nature.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

---

The Sheffield based Hope Centre, is a 54,000 ft<sup>2</sup> building which is the home of C3 Hope and comprises a large auditorium and overflow facility ('The Forge' with seating capacity for over 130 people) as well as varied and extensive conferencing and training rooms, lettable and dedicated office space, a community hub and café. In the financial year to which these accounts relate, the use of the building for conferencing continued to perform better than expected and a development plan is currently being revised to capitalise on this opportunity to fundraise for the charity using the physical asset. The recent appointment of a Development Manager is a strategic move to strengthen the team and to drive forward a strategy to maximise social value and financial yield from the building which is on the local authority's register of community assets.

Trustees will continue to focus on housing a mixture of church, community and business or social enterprise activities designed to deliver church health and growth, social value and longer-term financial sustainability for the building and the church in Sheffield.

Hope Centre Limited (a subsidiary of Hope Community Foundation) manages conferencing and room hire and licensed offices for local small businesses. The income from licensed offices has helped to replace income generated from a former charity linked to C3 Trust UK which vacated the premises in 2020.

With support from capital reserves and external funders such as Benefact Trust and Veolia and the Postcode Neighbourhood Trust we have been able to continue capital works in the building to improve visitor experience and upgrade key building infrastructure. A recent Low Carbon grant has also enabled us to introduce cost saving and green solutions to the building to reduce its carbon footprint and improve its environmental efficiency.

Our fundraising strategy is currently being revisited to enable us to fund a further phase of works to be undertaken over the next 3 years in order to provide further space for the growing church, additional accommodation for local businesses and new social projects targeted at local needs.

Funds previously raised for the Waverley project in Sheffield have now been successfully repurposed as part of a Special Scheme which was approved by Charity Commission in 2022. These funds have now been committed or invested into maintenance, refurbishment and efficiency of the Hope Centre.

#### **Outreach, Social Action and Missions**

The continued commitment to serving communities has been encouraging to see, with the churches continuing, where they can, to undertake outreach and social action projects commensurate with their capacity to undertake these activities. C3 Hope and C3 LIFE have continued to operate a range of social action and outreach projects whilst C3 Liverpool has focused on transitioning and strengthening the church in a period of change.

C3 YRKS, as a Christian community, operates a separate and independent charity called Project Hope (Charity No 1146856) which has continued to invest in social action projects in disadvantaged areas of Leeds, including a food hamper project providing 600 hampers for local families, and community family fun days. In York the church is partnering with York City Football club and the Lead Pastor of C3 Life in York has recently been appointed as Chaplain for the football club.

C3 Hope operates Hope Community Foundation (Charity No 1102542), part of the C3 Trust UK group which houses an early year setting and other regular community projects and groups, impacting the lives of thousands of local people each year including a community grocery, created in partnership with The Message Trust (Charity No 1081467), which has currently amassed over 2300 members.

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2024

---

In April 2021 the Foundation Community Grocery launched, working with The Message Trust, a partner charity. At the three-year anniversary in April 2024, we reported that the grocery had 2095 members, of which 1400 were active. 65% of beneficiaries were in our immediate disadvantaged communities of S2 and S9 postcodes. Almost 7800 individual shopping visits have been completed in the previous year alone, with almost 20,000 shops completed since the project started, providing an estimated 400,000 meals over this time to local families, as well as 172 tonnes of food being rescued from landfill since 2021.

In recent months it has been agreed with The Message Trust that Hope Community Foundation will take on the running of the grocery in a social franchise model from 1 January 2025, whilst still receiving key support from the team at The Message Trust. This has been fully embraced by the team and trustees are hopeful that this will enable the grocery to reach more and more people in the area in need of the support the grocery offers.

In the next 2 years the charity aims to grow the grocery membership to 3,250 members, specifically targeting those disadvantaged communities close to the Hope Centre where deprivation is amongst the top 10% in the UK.

Hope Community Foundation has continued to deliver much needed services to the local community in Sheffield, including through its community nursery (Little Ark Nursery & Pre-School) and through a growing number of community projects which have overall continued to gain momentum in the last year.

All initiatives have added significantly to the social impact delivered under Hope Community Foundation. Community projects such as Polka Dots Play Group and Jigsaw Café have helped the charity to build its support for young families and the elderly respectively. The donation-based Foundation Café provides a vital and vibrant connection point from which the social value created through each project can be compounded for beneficiaries. These vital projects have been accompanied by the more recent addition of the Café Connect project which focuses on delivering conversational English tuition mainly to immigrants coming into Sheffield from Hong Kong and the implementation of short-term projects such as a school uniform project and a series of weekly drop-ins have also been introduced to provide targeted support working in partnership with organisations such as Reed, Manor & Castle Development Trust, Sparkle Sheffield, and Citadel Business Academy. These drop-ins have provided support around employability, the cost-of-living crisis, enterprise coaching and support for families with autistic children. In addition, Hope Community Foundation has developed a signposting and support service called Pathways which aims to help people access practical support available across the city of Sheffield. Having recently gained initial funding for the project from Benefact Trust, the charity has been able to employ a part time coordinator for the project.

C3 Hope has developed a chaplaincy service which aims to provide pastoral support and listening services to the local community, including those who visit the Hope Centre during the week.

Hope Community Foundation has continued to extend its scope and reach and retains over 90 regular volunteers supporting and enabling the work of the charity, mostly working as part of the community grocery.

C3 Hope also hosted the Global Leadership Summit for the second time in November 2023 and for the third time in November 2024. The Global Leadership Summit was established in the USA and the Hope Centre is one of several UK host venues for the event. This successful event attracted leaders from around the region to focus on leading people and organisations well. C3 Hope is committed to continuing to embed this leadership resource both externally and internally as part of its strategy to develop leadership capacity and capability, amongst staff, volunteers and local and regional partner organisations.

C3 Hope has also continued its commitment to international missions related work including a Missions trip to Romania and the continued strengthening of its partnership with Red Frogs. Founded in Australia, Red Frogs

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

---

has had a significant impact on students and young adults and aims to establish the model in the UK and Europe.

Although C3 Liverpool has now exited their former premises at Kempston Street, Liverpool, the church continued to provide a home for a community grocery whilst in the building. Since the building is now occupied by Hillsong Church, the church have installed a Community Grocery which they run in partnership with The Message Trust so the social impact being delivered in this space will continue for some time to come.

#### **Annual Giving**

From April 2021, most churches have continued to supplement regular giving with an additional annual one-off offering in the form of a 'Vision Builders' or 'Heart for the House' appeal. This separate offering varies with each church, but continues to mostly cover building and venue costs, local missions, and ministries as well as funding other usual and general local church activities. The funds raised from these campaigns is unrestricted but designated to operational running costs for the most part and at present forms part of the income required to cover the operating costs of the respective church.

For each annual campaign the giving consists of one-off donations, standing orders and financial pledges which are redeemed during the months following the initial commitment.

#### **Staffing**

Salary bands brought into effect in 2020-21 financial year are continuing to provide a framework and guidance for recruitment and selection and salary reviews and trustees continue to consider making every effort to manage pressure on real time salaries arising from recent the cost-of-living crisis. Final adjustments have been made in 2024 to bring the salary bands into line with medium term commitments. Trustees have also made several improvements to staff terms and conditions including additional leave and sickness entitlement.

Moving forward, Trustees are keen to ensure that salaries reflect those of similar positions in the faith and voluntary sectors. The continued uplift in national living wage has, however, placed pressure on the lower end of salary bands; something which is not unique to C3 Trust UK.

As the shape of the organisation continues to change, so too do staffing requirements. The HR function has been a vital part of ensuring that we manage recruitment, role changes and redundancy processes in line with good practice. In the past year through the HR function, we have been able to design and deliver an increased amount of staff and volunteer training and development and will continue to do this under the advice and guidance of a new HR subgroup.

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2024

---

##### **Subsidiary and other controlled companies**

The achievements and performance of the church's subsidiaries and other controlled companies for the year ended 31 March 2024 were as follows:

- Hope Centre Limited through its trading activities made a loss of £17,061 (2023: profit of £6,169). Closing shareholders' funds were in deficit at £625,067 (2023: £608,006). Hope Centre Limited is a limited company incorporated in England and Wales and C3 Trust UK owns 100% of the share capital. The nature of its business is the provision of conference facilities, running a cafe and a children's play area.

- Hope Community Foundation, made a surplus of £11,581 (2023: deficit of £14,327). Closing funds were £5,299 (2023: £(6,282)) of which £27,112 (2023: £12,339) were restricted and £(21,813) (2023: £(18,621)) were unrestricted. Hope Community Foundation is a charitable company registered in England and Wales. C3 Trust UK are able to appoint and remove the trustees of this charitable company and the nature of its business is the provision of nursery education and care and community based activities.

##### **Financial review**

The trustees make strategic decisions based on the financial position of the church by reference to the financial information (i.e. budgets, cash flows) provided to them. They do not however carry out the routine day to day management of the church, for which the budget leader for each department is responsible.

The Statement of Financial Activities shows a net decrease in funds of £117,528 (2023: £309,655 decrease). The church has general unrestricted reserves of £696,524 excluding the revaluation reserve, compared with £846,042 the previous year. The trustees have identified that the reserves are at a low level, representing 80% (including the revaluation reserve) of annual net resources expended (2023: 84%). This percentage is slightly lower than the previous year. The freely available unrestricted reserves were £172,726.

The Consolidated Statement of Financial Activities shows a net decrease in funds of £104,420 (2023: £306,718). The group has general unrestricted reserves of £1,380,012 excluding the revaluation reserve, compared with £1,514,134 the previous year. The trustees have identified that the reserves are at a low level, representing more than 62% (including the revaluation reserve) of annual net resources expended (2023: 64%). The freely available unrestricted reserves were £145,482.

Trustees are mindful of inflationary and economic pressures which inevitably have an impact on the operational costs of the organisation. Interest rates have affected mortgage rates, which has a direct impact on C3 Hope. In addition, trustees are mindful of the general financial risks which C3 Trust UK continues to manage effectively at a time of economic volatility.

The financial results for the subsidiary entities are shown in note 26 to the accounts.

##### **Reserves**

C3 Trust UK policy in general is to continue to work towards building three months' worth of cash reserves.

Trustees are mindful of inflationary and economic pressures which inevitably have an impact on the operational costs of the organisation. Interest rates have continued to affect mortgage rates, which has a direct impact on C3 Hope. In addition, trustees are mindful of the general financial risks which C3 Trust UK continues to manage effectively at a time of economic volatility.

Trustees are cognisant of the fact that the continued move towards devolution and independence of the churches, whilst serving a longer-term goal, has short term impact on the audited financial position of C3 Trust UK. Divesting itself of fixed assets either by assignment of leases or by gifting of locally accumulated

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

---

assets and cash reserves will impact on both the Balance Sheet and Depreciation. This should not detract from the underlying operational financial health of C3 Trust UK which continues to outwork a medium to long-term plan to operate with adequate financial margin and build unrestricted cash reserves.

#### **Recent investments**

Given the more recent history and learning which has taken place across the Charity, significant attention and investment has been devoted to health and wellbeing and towards strengthening organisational infrastructure and cultural change. As well as supporting church leaders and many of their teams through their own journey the Charity has continued to invest in building and strengthening policy and procedure particularly as it relates to the safeguarding of staff, volunteers, and the wider congregations.

Trustees remain committed to investing in change and improvement which will manage risk, promote shared values and healthy culture, and provide a sound basis for the future for everyone who has found their home in our churches irrespective of the future structure of the Charity itself.

This is reflected specifically in an intentional and coordinated approach to role-related training and development with learning needs being identified systematically and a programme of training interventions being developed to meet those needs, as well as our continued strengthening of the Human Resources function by appointing Croner as our HR Advisers.

#### **Goals and Developments**

The goals stated in the Trustees' Annual report 2022-23 have either been fully met or are well underway and Trustees are pleased with this progress. This coming year continues to be a pivotal time which will culminate in the final stages of independence for our churches with, the founding church, C3 Hope, being the one remaining component of C3 Trust UK from 1 April 2025.

The key goals of C3 Trust UK for the forthcoming 12-18 months are:

1. To conclude the successful transition to independence of C3 Liverpool.
2. To consolidate all remaining operations into C3 Hope, Sheffield and reorient the C3 Trust UK's charity and spiritual governance commensurate with that change.
3. To continue with the remedial works required to The Hope Centre by beginning to design the next phase of works.
4. To continue to build staff and volunteering capacity and capability by scaling up, designing and implementing targeted, blended learning and development under the auspices of the leadership development pipeline.
5. To continue to establish and strengthen healthy church culture in every aspect of church life.
6. To further strengthen engagement in the quality and number of groups across the church and to cultivate community, discipleship, leadership development and mission.
7. To continue to effectively manage risk and build the underlying solutions which will strengthen financial sustainability over the long term, including trading income generation, fundraising and cost control.
8. To continue to establish a missional and outward-focused church bringing the good news of Jesus Christ to the world around us.

The goals represent clear intentionality around continuing to further the core objects of the charity.

#### **Structure, Governance and Management**

C3 Trust UK is a company limited by guarantee and a registered charity. The Company was incorporated on 15 November 2006 and commenced activities on 1 April 2007 when it took over the assets, liabilities and

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2024

---

running of the Church. C3 Trust UK was formerly Hope City Church until its change of name was approved by Charity Commission on 23 September 2021.

The Trustees, who are also directors for the purpose of company law, and who served during the period are:

C Davies	
C W Davies	(Resigned 11 January 2024)
O Olarinde	
M Muthiah	
J Hemmingfield	
L Davies	(Appointed 8 May 2024)
N Anumba	(Appointed 11 January 2024)
J Willis	(Appointed 11 January 2024)

Secretary:	
A E Ibbotson	(Resigned 31 July 2024)
S M Sherwin	(Appointed 31 July 2024)

Trustees would like to extend their sincere thanks and appreciation to C W Davies and A E Ibbotson who have served the charity and the group faithfully for many years, successfully helping to steer the charity through challenging seasons.

C3 Trust UK is a registered charity which governs a group of churches now exclusively in the North of England. Each church has been affiliated with C3 Church Global since 2013 and all seek spiritual oversight from C3 whilst being accountable in charity and company terms to the trustees and directors of C3 Trust UK as an independent and autonomous organisation. Each church belonging to C3 Trust UK has its own local identity.

- C3 Hope – (Sheffield) serving the Sheffield City Region
- C3 LIFE – Formerly C3 YRKS, (Leeds and York) and became independent on 1<sup>st</sup> April 2024
- C3 Liverpool – located in Liverpool and serving this city and the surrounding areas

The release of C3 LIFE to become their own independent charity (No 1206272) from 1<sup>st</sup> April 2024 has meant that only C3 Liverpool is yet to transition to independence. C3 Liverpool's charity registration was delayed and has now been completed (No 1210127), meaning that C3 Liverpool will become independent no later than 1 April 2025. At this stage C3 Hope will be the only congregation of C3 Trust UK until any future plans for church planting are enacted.

Those churches which are now independent across the UK and internationally have now been operating autonomously for some time within the wider C3 movement Globally. C3 Global is a worldwide community of over 620 Christian churches that come together as one movement under the spiritual direction and leadership of C3 Church Global Directors and their Team.

In accordance with both the charity's governing documents and C3's recommendations, there are at least three Managing Trustees at any one time and Trustees who are not on the charity's payroll should be in the majority. None of the Trustees have any beneficial interest in the company. All the Trustees are also the Members of the company and guarantee to contribute £1 in the event of a dissolution or winding up. Following recent recommendations, when a Trustee vacancy occurs, potential candidates with the relevant experience, skill set, and expertise will be identified and discussed at Board meetings. Once this process has taken place, one of the Trustees will then approach the prospective candidate, with further due diligence taking place before any official appointment is made.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

---

C3 Trust UK is a registered charity (number 1119791), and a company limited by guarantee (number 05999100).

Hope Centre Limited is now a wholly owned trading subsidiary of Hope Community Foundation (as of 1 April 2024). Hope Centre Limited operates under licence from C3 Trust UK to fundraise through secondary purpose trading activities for the benefit, and long-term sustainability of, Hope Community Foundation and the operation of the Hope Centre. Both Hope Community Foundation and Hope Centre Limited form part of the consolidated financial accounts and are part of the group of companies.

Hope Community Foundation, is a company limited by guarantee with separate charitable objects and status relates to C3 Trust UK with C3 Trust UK being a Corporate Member, effectively making Hope Community Foundation the community arm of C3 Trust UK. With its primary focus of operation and area of benefit in Sheffield at the time of this report, it operates an Ofsted Registered Early Years Day Nursery on the Sheffield church premises (The Hope Centre), and several community projects intended to deliver the social mission of C3 Trust UK and more specifically its church in Sheffield, C3 Hope.

The Trustees have continued to identify and assess and manage the major risks to which C3 Trust UK is exposed and are satisfied that the mitigation and systems are in place to limit exposure to these risks.

#### **Disclosure of Information to Auditors**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

On behalf of the Board of Trustees

**C Davies**  
Trustee

Dated: 19 December 2024

## **C3 TRUST UK**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

---

The trustees, who are also the directors of C3 Trust UK for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK

### Opinion

We have audited the financial statements of C3 Trust UK (the 'charitable company') for the year ended 31 March 2024 which comprise the consolidated Statement of Financial Activities, the parent Statement of Financial Activities, the consolidated Balance Sheet, the parent Balance Sheet, the consolidated Statement of Cash Flows, the parent Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of accounts section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusion relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year of which the accounts are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

### **Responsibilities of the trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors, enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with section 391 of Companies Act 2014. Our audit work has been undertaken, so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Michael Mealing (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

**19 December 2024**

**Chartered Accountants  
Statutory Auditor**

**C3 TRUST UK**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
<b><u>Income from:</u></b>							
Donations and gifts	3	1,161,692	58,099	1,219,791	1,158,185	43,567	1,201,752
Grants	3	-	55,897	55,897	-	30,000	30,000
Charitable activities	4	371,497	-	371,497	329,996	-	329,996
Other trading activities	5	69,556	-	69,556	67,090	-	67,090
Investments	6	989	-	989	1,611	-	1,611
Other income	7	4,954	-	4,954	-	-	-
<b>Total income</b>		<u>1,608,688</u>	<u>113,996</u>	<u>1,722,684</u>	<u>1,556,882</u>	<u>73,567</u>	<u>1,630,449</u>
<b><u>Expenditure on:</u></b>							
Raising funds	8	118,756	1,279	120,035	100,282	1,929	102,211
Charitable activities	9	1,645,590	61,479	1,707,069	1,692,075	143,731	1,835,806
Other	14	-	-	-	-	-	-
<b>Total expenditure</b>		<u>1,764,346</u>	<u>62,758</u>	<u>1,827,104</u>	<u>1,792,357</u>	<u>145,660</u>	<u>1,938,017</u>
<b>Net incoming/(outgoing) resources before associated undertakings and transfers</b>		(155,658)	51,238	(104,420)	(235,475)	(72,093)	(307,568)
Gross transfers between funds		<u>4,475</u>	<u>(4,475)</u>	-	<u>393,419</u>	<u>(393,419)</u>	-
<b>Net incoming/(outgoing) resources</b>		(151,183)	46,763	(104,420)	157,944	(465,512)	(307,568)
<b>Other recognised gains and losses</b>							
Revaluation of tangible fixed assets		-	-	-	850	-	850

C3 TRUST UK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Net movement in funds</b>		(151,183)	46,763	(104,420)	158,794	(465,512)	(306,718)
Fund balances at 31 March 2023		<u>1,221,984</u>	<u>12,339</u>	<u>1,234,323</u>	<u>1,063,190</u>	<u>477,851</u>	<u>1,541,041</u>
<b>Fund balances at 31 March 2024</b>		<u>1,070,801</u>	<u>59,102</u>	<u>1,129,903</u>	<u>1,221,984</u>	<u>12,339</u>	<u>1,234,323</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**C3 TRUST UK**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
<b><u>Income from:</u></b>							
Donations and gifts	3	1,145,900	55,897	1,201,797	1,130,796	30,000	1,160,796
Charitable activities	4	102,671	-	102,671	33,596	-	33,596
Other trading activities	5	-	-	-	1,506	-	1,506
Investments	6	971	-	971	1,611	-	1,611
Other income	7	4,954	-	4,954	-	-	-
<b>Total income</b>		<u>1,254,496</u>	<u>55,897</u>	<u>1,310,393</u>	<u>1,167,509</u>	<u>30,000</u>	<u>1,197,509</u>
<b><u>Expenditure on:</u></b>							
Raising funds	8	28,154	-	28,154	20,565	-	20,565
Charitable activities	9	1,363,260	23,907	1,387,167	1,381,195	99,754	1,480,949
Other	14	12,600	-	12,600	6,500	-	6,500
<b>Total expenditure</b>		<u>1,404,014</u>	<u>23,907</u>	<u>1,427,921</u>	<u>1,408,260</u>	<u>99,754</u>	<u>1,508,014</u>
<b>Net incoming/(outgoing) resources before associated undertakings and transfers</b>		(149,518)	31,990	(117,528)	(240,751)	(69,754)	(310,505)
Gross transfers between funds		-	-	-	390,930	(390,930)	-
<b>Net incoming/(outgoing) resources</b>		(149,518)	31,990	(117,528)	150,179	(460,684)	(310,505)
<b>Other recognised gains and losses</b>		-	-	-	850	-	850
Revaluation of tangible fixed assets		-	-	-	850	-	850
<b>Net movement in funds</b>		(149,518)	31,990	(117,528)	151,029	(460,684)	(309,655)

C3 TRUST UK

STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
Fund balances at 1 April 2023		<u>1,266,006</u>	<u>-</u>	<u>1,266,006</u>	<u>1,114,977</u>	<u>460,684</u>	<u>1,575,661</u>
<b>Fund balances at 31 March 2024</b>		<u>1,116,488</u>	<u>31,990</u>	<u>1,148,478</u>	<u>1,266,066</u>	<u>-</u>	<u>1,266,006</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

## C3 TRUST UK

### CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		1,549,001		1,688,112
<b>Current assets</b>					
Stocks	16	100		150	
Debtors	17	52,236		67,343	
Cash at bank and in hand		<u>288,614</u>		<u>332,759</u>	
		340,950		400,252	
<b>Creditors: amounts falling due within one year</b>	18	<u>(136,366)</u>		<u>(172,222)</u>	
Net current assets			<u>204,584</u>		<u>228,030</u>
<b>Total assets less current liabilities</b>			1,753,585		1,916,142
<b>Creditors: amounts falling due after one year</b>	19		<u>(623,682)</u>		<u>(681,819)</u>
<b>Net assets</b>			<u>1,129,903</u>		<u>1,234,323</u>
<b>Income funds</b>					
Restricted funds	22		59,102		12,339
<u>Unrestricted funds:</u>					
Retained within the charity		1,380,012		1,514,134	
Revaluation reserve		<u>315,956</u>		<u>315,956</u>	
			1,695,968		1,830,090
Non-charitable trading funds			<u>(625,167)</u>		<u>(608,106)</u>
			<u>1,129,903</u>		<u>1,234,323</u>

The financial statements were approved by the board of directors and authorised for issue on 19 December 2024 and are signed on its behalf by:

C Davies  
Trustee

Company Registration No. 5999100

# C3 TRUST UK

## BALANCE SHEET

AS AT 31 MARCH 2024

---

	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		1,545,763		1,687,113
<b>Current assets</b>					
Stocks	16	100		100	
Debtors	17	53,975		65,139	
Cash at bank and in hand		<u>254,711</u>		<u>296,939</u>	
		308,786		362,178	
<b>Creditors: amounts falling due within one year</b>	18	<u>(104,070)</u>		<u>(138,138)</u>	
Net current assets			<u>204,716</u>		<u>224,040</u>
<b>Total assets less current liabilities</b>			1,750,479		1,911,153
<b>Creditors: amounts falling due in more than one year</b>	19		<u>(602,001)</u>		<u>(645,147)</u>
<b>Net assets</b>			<u>1,148,478</u>		<u>1,266,006</u>
<b>Income funds</b>					
Restricted funds	22		31,990		-
<u>Unrestricted funds:</u>					
General unrestricted funds		696,524		846,042	
Revaluation reserve		<u>419,964</u>		<u>419,964</u>	
			<u>1,116,488</u>		<u>1,266,006</u>
			<u>1,148,478</u>		<u>1,266,006</u>

The financial statements were approved by the board of directors and authorised for issue on 19 December 2024 and are signed on its behalf by:

C Davies  
Trustee

Company Registration No. 5999100

**C3 TRUST UK**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Group			
		2024	2024	2023	2023
		£	£	£	£
<b>Cash flow from operating activities</b>					
Cash generated from operations	27		78,238		(219,992)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(66,111)		(59,858)	
Tangible fixed assets funded by hire purchase		-		24,999	
Interest received		989		1,611	
<b>Net cash (used in)/ generated from investing activities</b>			(65,122)		(33,248)
<b>Financing activities</b>					
Repayment of bank loans		(51,011)		(50,780)	
Payment of obligations under finance lease		(6,250)		(1,562)	
<b>Net cash (used in)/generated from financing activities</b>			(57,261)		(52,342)
<b>Net (decrease)/increase in cash and cash equivalents</b>			(44,145)		(305,582)
Cash and cash equivalents at beginning of year			332,759		638,341
<b>Cash and cash equivalents at end of year</b>			288,614		332,759
			Charity		
		2024	2023	2023	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27		65,591		(222,086)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(63,062)		(59,858)	
Tangible fixed assets funded by hire purchase		-		24,999	
Interest received		971		1,611	
<b>Net cash (used in)/ generated from investing activities</b>			(62,091)		(33,248)
<b>Financing activities</b>					
Repayment of bank loans		(39,478)		(45,784)	
Payment of obligations under finance lease		(6,250)		(1,561)	
<b>Net cash used in financing activities</b>			(45,728)		(47,345)
<b>Net (decrease)/increase in cash and cash equivalents</b>			(42,228)		(302,679)
Cash and cash equivalents at beginning of year			296,939		599,618
<b>Cash and cash equivalents at end of year</b>			254,711		296,939

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

---

**1 Accounting policies**

**Company information**

C3 Trust UK is a private company limited by guarantee incorporated in England and Wales. The registered office is The Hope Centre, Bernard Road, Sheffield, S2 5BQ.

**1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the main functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and leasehold properties. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future whilst recognising the issues raised in respect of going concern.

Since 2020 the charity has undergone significant internal restructure including the ongoing release of churches into independence. This has been an intentional decision made by trustees whilst recognising that this strategy would inevitably impact on the short to medium term position of the charity's net worth. The incremental impact of this devolutionary transition has been evidenced in the successive annual accounts since this time and will be reflected further in the projected position for Financial Year 2024/25 resulting from the finalisation of the transition process, through the planned release of C3 Liverpool.

Whilst the release of churches has had an impact, it has also served to divest the charity of the risks associated with a multi-site model of church, and the need to offer additional support for churches who have been unable to support themselves through local giving.

From April 2025, the intention is that the charity will comprise C3 Hope (Sheffield) only, on a reduced operating cost basis with further cost reductions being made from restructure and no requirement to provide support to other churches. C3 Hope has seen encouraging financial results in the past year which are projected to continue beyond April 2025, improving the cash position of the charity as a result. The charity continues to work closely to ensure tight monitoring, review and controls are in place to ensure the season of transition is concluded well and the medium to long term financial strength of the charity is established and strengthened.

All these things considered, the Trustees are confident that the charity can continue as a going concern both throughout the next twelve months and the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

---

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

**1.4 Incoming resources**

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable except insofar as they are incapable of financial measurement. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Rental income, income from the sale of resources, investment income and income from charitable activities is included in the year in which it is receivable.

Turnover from Hope Centre Limited activities represents amounts receivable for goods and services net of VAT.

**1.5 Resources expended**

Resources expended are recognised in the year in which they are incurred.

Charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes grants made to projects, costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Costs of generating funds relate to costs incurred by trading subsidiaries.

Grant expenditure is included based on the date that individual projects' expenditure has been incurred, rather than the date that the grants are defrayed to the projects.

Governance costs included those costs associated with meeting constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource, and include irrecoverable VAT.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- 2% straight line
Leasehold property	- 2%/10%/33% straight line and over the period of lease
Fixtures, fittings and equipment	- 20% straight line

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

---

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Fixed assets costing less than £500 are not capitalised.

**1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.8 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.9 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost.

**1.10 Leasing and hire purchase commitments**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**1.11 Pensions**

The charity operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

---

**1.12 Basis of consolidation**

The financial statements consolidate the accounts of C3 Trust UK and all of its subsidiary undertakings ('subsidiaries').

**1.13 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities.

**1.14 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

---

***Basic financial liabilities***

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortisation cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.15 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Valuation of land and buildings**

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are as follows.

The charity has revalued its land and buildings and depreciated from each revaluation. The trustees will ensure that valuations will be made regularly and will review the values of the land and buildings shown in the accounts each year to make a judgement as to whether any evidence exists that their values are materially different to the values in the financial statements. This may take into account the state of the fabric of the buildings and the conditions in the market for the types of property owned.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

#### 3 Donations and gifts

	Group					
	Unrestricted funds	Restricted funds	Total 2024	Unrestricted funds	Restricted funds	Total 2023
	£	£	£	£	£	£
Donations and gifts	1,161,692	58,099	1,219,791	1,158,185	43,567	1,201,752
Grants	-	<u>55,897</u>	<u>55,897</u>	-	<u>30,000</u>	<u>30,000</u>
	<u>1,161,692</u>	<u>113,996</u>	<u>1,275,688</u>	<u>1,158,185</u>	<u>73,567</u>	<u>1,231,752</u>

	Charity					
	Unrestricted funds	Restricted funds	Total 2024	Unrestricted funds	Restricted funds	Total 2023
	£	£	£	£	£	£
Donations and gifts	1,145,900	-	1,145,900	1,130,796	-	1,130,796
Grants	-	<u>55,897</u>	<u>55,897</u>	-	<u>30,000</u>	<u>30,000</u>
	<u>1,145,900</u>	<u>55,897</u>	<u>1,201,797</u>	<u>1,130,796</u>	<u>30,000</u>	<u>1,160,796</u>

#### 4 Charitable activities

	Group		Charity	
	2024	2024	2024	2023
	£	£	£	£
Sales within charitable activities	277,454	320,647	811	1,608
Charitable rental income, recharges and other income	<u>94,043</u>	<u>9,349</u>	<u>101,860</u>	<u>31,988</u>
	<u>371,497</u>	<u>329,996</u>	<u>102,671</u>	<u>33,596</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

#### 5 Other trading activities

	Group	
	2024	2023
	£	£
Hope Centre Limited	69,556	65,584
Sales of books and resources	<u>-</u>	<u>1,506</u>
	<u>69,556</u>	<u>67,090</u>
	Charity	
	2024	2023
	£	£
Sales of books and resources	<u>-</u>	<u>1,506</u>

#### 6 Investments

	Group					
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	£	£	£	£	£	£
Interest receivable	<u>989</u>	<u>-</u>	<u>989</u>	<u>1,611</u>	<u>-</u>	<u>1,611</u>

	Charity					
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	£	£	£	£	£	£
Interest receivable	<u>971</u>	<u>-</u>	<u>971</u>	<u>1,611</u>	<u>-</u>	<u>1,611</u>

#### 7 Other income

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Sundry income	<u>4,954</u>	<u>-</u>	<u>4,954</u>	<u>-</u>
	<u>4,954</u>	<u>-</u>	<u>4,954</u>	<u>-</u>

C3 TRUST UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024

8 Raising funds

	Group					
	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
<u>Fundraising and publicity</u>						
Staging fundraising events	<u>27,967</u>	— -	<u>27,967</u>	<u>20,216</u>	— -	<u>20,216</u>
	<u>27,967</u>	— -	<u>27,967</u>	<u>20,216</u>	— -	<u>20,216</u>
<u>Trading costs</u>						
Other trading activities	<u>90,789</u>	<u>1,279</u>	<u>92,068</u>	<u>80,066</u>	<u>1,929</u>	<u>81,995</u>
	<u>118,756</u>	<u>1,279</u>	<u>120,035</u>	<u>100,282</u>	<u>1,929</u>	<u>102,211</u>

	Charity					
	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
<u>Fundraising and publicity</u>						
Staging fundraising events	<u>27,967</u>	— -	<u>27,967</u>	<u>20,216</u>	— -	<u>20,216</u>
	<u>27,967</u>	— -	<u>27,967</u>	<u>20,216</u>	— -	<u>20,216</u>
<u>Trading costs</u>						
Other trading activities	<u>187</u>	— -	<u>187</u>	<u>349</u>	— -	<u>349</u>
	<u>28,154</u>	— -	<u>28,154</u>	<u>20,565</u>	— -	<u>20,565</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**9 Charitable activities**

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Staff costs	752,949	803,087	492,565	506,937
Depreciation and impairment	85,930	72,896	85,121	72,087
Church departments and events	17,511	14,392	17,511	14,392
Hospitality and gifts	36,066	32,157	36,066	32,157
Rent, rates, and service charges	165,260	180,429	154,913	168,676
Insurance and utilities	89,240	73,918	86,607	71,698
Repairs and cleaning	98,311	312,421	88,204	308,017
Hire of office equipment	13,121	15,791	11,568	15,533
Subscriptions	39,244	39,212	38,925	39,090
Postage, stationery and adverts	6,889	9,480	5,359	6,408
Telephone and fax	2,630	3,642	2,586	2,522
Motor and travel expenses	38,312	23,688	38,312	23,688
Bad and doubtful debts	(2,550)	4,466	-	-
Legal, professional and consultancy fees	90,364	116,219	80,544	101,702
Staff recruitment and training	-	2,161	-	-
General expenses	55,235	96,257	34,713	87,903
Bank interest and charges	48,923	30,040	34,713	25,139
Loss on disposal of tangible fixed assets	<u>119,294</u>	<u>-</u>	<u>119,294</u>	<u>-</u>
	1,656,729	1,830,256	1,336,827	1,475,949
Grant funding of activities (see note 10)	44,340	-	44,340	-
Share of governance costs (see note 11)	<u>6,000</u>	<u>5,550</u>	<u>6,000</u>	<u>5,000</u>
	<u>1,707,069</u>	<u>1,835,806</u>	<u>1,387,167</u>	<u>1,480,949</u>
<b>Analysis by fund</b>				
Unrestricted funds	1,645,590	1,692,075	1,363,260	1,381,195
Restricted funds	<u>61,479</u>	<u>143,731</u>	<u>23,907</u>	<u>99,754</u>
	<u>1,707,069</u>	<u>1,835,806</u>	<u>1,387,167</u>	<u>1,480,949</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

#### 10 Grants payable

	Group	
	2024	2023
	£	£
Grants to institutions	44,340	-
Grants to individuals	<u>-</u>	<u>-</u>
	<u>44,340</u>	<u>-</u>

Grants of £7,933 (2023: £nil) was paid to C3 Sunderland, £16,407 (2023: £nil) to C3 Newcastle and £20,000 (2023: £nil) to C3 Life on leaving the C3 Trust UK group during the year.

	Charity	
	2023	2023
	£	£
Grants to institutions	44,340	-
Grants to individuals	<u>-</u>	<u>-</u>
	<u>44,340</u>	<u>-</u>

#### 11 Support costs

	Group and Charity					
	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Audit fees	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>5,550</u>	<u>5,550</u>
	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>5,550</u>	<u>5,550</u>
Analysed between Charitable activities	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>5,550</u>	<u>5,550</u>

#### Group

Governance costs includes payments to the auditors of £6,000 (2023: £5,550) for audit fees. Charitable activities costs includes payments of £9,450 (2023: £8,130) to the auditors for other services.

#### Charity

Governance costs includes payments to the auditors of £6,000 (2023: £5,000) for audit fees. Charitable activities costs includes payments of £6,450 (2023: £5,800) to the auditors for other services.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

**12 Trustees**

C Davies received emoluments of £48,325 (2023: £39,859) and pension contributions of £2,550 (2023: £2,550) during the year. A company owned and controlled by C Davies and his wife received £676 (2023: £7,387) for providing payroll and consultancy services to the charity. They received £1,947 (2023: £8,751) for providing payroll and consultancy services to the group. C Davies and his wife made donations totaling £11,405 (2023: £12,555) to the church with donations being made personally by both of them and also making donations from their business.

None of the other trustees received emoluments or benefits during the year (2023: £nil).

The church's constitution expressly permits trustees to be remunerated provided certain conditions are met.

**13 Employees**

**Number of employees**

The average number of employees during the year was:

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
Trustees of C3 Trust UK	6	6	6	6
Trustees / directors of subsidiaries	6	6	-	-
Employees	<u>52</u>	<u>53</u>	<u>19</u>	<u>24</u>
	<u>64</u>	<u>65</u>	<u>25</u>	<u>30</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

**13 Employees (continued)**

**Employment costs**

			<b>Group</b>			
	<b>Raising funds</b>	<b>Charitable activities</b>	<b>2024</b>	<b>Raising funds</b>	<b>Charitable activities</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	56,528	679,877	736,405	42,215	723,955	783,102
Social security costs	2,951	49,800	52,751	2,265	52,156	54,421
Other pension costs	<u>1,274</u>	<u>23,272</u>	<u>24,546</u>	<u>961</u>	<u>26,976</u>	<u>27,937</u>
	<u>60,753</u>	<u>752,949</u>	<u>813,702</u>	<u>45,441</u>	<u>803,087</u>	<u>865,460</u>
					<b>Charity</b>	
					<b>2024</b>	<b>2023</b>
					<b>£</b>	<b>£</b>
Wages and salaries					439,681	450,649
Social security costs					35,856	35,603
Other pension costs					<u>17,028</u>	<u>20,685</u>
					<u>492,565</u>	<u>506,937</u>
					<b>Group and Charity</b>	
					<b>2024</b>	<b>2023</b>
The number of employees whose annual remuneration was £60,000 or more were;					=	=

Contributions totalling £nil (2023: £nil) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

**14 Other**

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bad debts	<u>-</u>	<u>-</u>	<u>12,600</u>	<u>6,500</u>
	<u>-</u>	<u>-</u>	<u>12,600</u>	<u>6,500</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

#### 15 Tangible fixed assets

	Group		
	Long leasehold property £	Fixtures fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2023	1,778,180	863,349	2,641,529
Additions at cost	-	66,111	66,111
Disposals	<u>(181,206)</u>	<u>-</u>	<u>(181,206)</u>
At 31 March 2024	<u>1,596,974</u>	<u>929,461</u>	<u>2,526,435</u>
<b>Depreciation and impairment</b>			
At 1 April 2023	168,252	785,165	953,417
Charge for the year	55,656	30,274	85,930
Eliminated on disposals	<u>(61,912)</u>	<u>-</u>	<u>(61,912)</u>
At 31 March 2024	<u>161,995</u>	<u>815,439</u>	<u>977,434</u>
<b>Carrying amount</b>			
At 31 March 2024	<u>1,434,979</u>	<u>114,022</u>	<u>1,549,001</u>
At 31 March 2023	<u>1,609,928</u>	<u>78,184</u>	<u>1,688,112</u>
	Charity		
	Long leasehold property £	Fixtures fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2023	1,778,180	801,661	2,579,841
Additions at cost	-	63,062	63,062
Disposals	<u>(181,206)</u>	<u>-</u>	<u>(181,206)</u>
At 31 March 2024	<u>1,596,974</u>	<u>864,724</u>	<u>2,461,698</u>
<b>Depreciation and impairment</b>			
At 1 April 2023	168,252	724,476	892,728
Charge for the year	55,656	29,465	85,121
Eliminated on disposals	<u>(61,912)</u>	<u>-</u>	<u>(61,912)</u>
At 31 March 2024	<u>161,995</u>	<u>753,940</u>	<u>915,935</u>
<b>Carrying amount</b>			
At 31 March 2024	<u>1,434,979</u>	<u>110,784</u>	<u>1,545,763</u>
At 31 March 2023	<u>1,609,928</u>	<u>77,185</u>	<u>1,687,113</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**15 Tangible fixed assets (continued)**

Some of the church's leasehold land and buildings were externally revalued at £1,300,000 at their open market value in March 2023 by White & Co, Chartered Surveyors. Improvements to leasehold premises with a net book value of £14,671 are included within the fixed assets of Hope Community Foundation (a charitable company controlled by C3 Trust UK) which has a sublease on part of the premises. The trustees are of the opinion that the value at 31 March 2024 would not differ significantly from this valuation.

**Group**

Some of the charity's leasehold and freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2024 amounting to 50% (2023: 52%) of their net book value as stated in these accounts.

**Charity**

Some of the charity's leasehold and freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2024 amounting to 50% (2023: 52%) of their net book value as stated in these accounts.

**Comparable historical cost for the land and buildings included at valuation:**

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Cost	1,517,030	1,517,030	1,401,120	1,401,120
Accumulated depreciation	<u>719,959</u>	<u>687,162</u>	<u>618,720</u>	<u>590,711</u>
At 31 March 2024	<u>797,071</u>	<u>829,868</u>	<u>782,400</u>	<u>810,409</u>

All other tangible fixed assets are stated at historical cost.

**16 Stocks**

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Goods for resale	<u>100</u>	<u>150</u>	<u>100</u>	<u>100</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**17 Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	29,385	15,398	9,624	2,716
Amounts due from subsidiary undertakings	-	-	21,500	10,478
Other debtors	14,630	49,085	14,630	49,085
Prepayments and accrued income	<u>8,221</u>	<u>2,860</u>	<u>8,221</u>	<u>2,860</u>
	<u>52,236</u>	<u>67,343</u>	<u>53,975</u>	<u>65,139</u>

**18 Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	69,627	68,749	51,137	53,716
Obligations under finance leases	6,250	6,250	6,250	6,250
Trade creditors	2,979	34,815	2,139	31,068
Taxation and social security	10,757	11,133	8,576	8,365
Other creditors	23,982	26,540	16,814	18,034
Accruals	<u>22,771</u>	<u>24,735</u>	<u>19,154</u>	<u>20,705</u>
	<u>136,366</u>	<u>172,222</u>	<u>104,070</u>	<u>138,138</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

**19 Creditors: amounts falling due after more than one year**

	Group	
	2024	2023
	£	£
Mortgage and hire purchase	<u>623,682</u>	<u>681,819</u>
<b>Analysis of mortgage and loan</b>		
Not wholly repayable within five years by instalments	293,487	395,454
Wholly repayable within five years	<u>393,404</u>	<u>354,663</u>
	686,891	750,117
Included in current liabilities	<u>(63,209)</u>	<u>(68,298)</u>
	<u>623,682</u>	<u>681,819</u>
<b>Loan maturity analysis</b>		
Debt due in one year or less	69,458	68,298
In more than one year but not more than two years	89,302	69,985
In more than two years but not more than five years	234,644	216,380
In more than five years	<u>293,487</u>	<u>395,454</u>
	<u>686,891</u>	<u>750,117</u>

The mortgages are secured by first legal charges over the group's freehold and leasehold land and buildings.

	Charity	
	2024	2023
	£	£
Mortgage and hire purchase	<u>602,001</u>	<u>645,147</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments	293,487	395,454
Wholly repayable within five years	<u>365,900</u>	<u>309,658</u>
	659,387	705,112
Included in current liabilities	<u>(57,386)</u>	<u>(59,965)</u>
	<u>602,001</u>	<u>645,147</u>
<b>Loan maturity analysis,</b>		
Debt due in one year or less	57,386	59,965
In more than one year but not more than two years	77,230	61,652
In more than two years but not more than five years	231,284	188,041
In more than five years	<u>293,487</u>	<u>395,454</u>
	<u>659,387</u>	<u>705,112</u>

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**20 Finance lease commitments**

	<b>Group and Charity</b>	
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Payable within one year	6,250	6,250
Payable after one year	<u>10,937</u>	<u>17,187</u>
	<u>17,187</u>	<u>23,437</u>

**21 Pension and other post-retirement benefit commitments**

**Defined contribution**

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Contributions payable by the group and charity for the year	<u>24,546</u>	<u>27,937</u>	<u>12,798</u>	<u>14,775</u>

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the fund.

**C3 TRUST UK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

**22 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Group Movement in funds							Balance at 31 March 2024 £	
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £	Incoming resources £	Resources expended £		Transfers £
Dream Offering	430,684	-	(39,754)	(390,930)	-	-	-	-	-
Garfield Weston Foundation	30,000	-	(30,000)	-	-	-	-	-	-
Bernard Sunley Foundation	-	30,000	(30,000)	-	-	-	-	-	-
Benedict Trust	-	-	-	-	-	7,200	(7,200)	-	-
Viola	-	-	-	-	-	48,697	(16,707)	-	31,990
Henry Smith Charity	3,930	33,550	(31,370)	-	6,110	17,000	(28,249)	5,139	-
Hope Hampers	3,338	-	(530)	-	2,808	-	-	(2,808)	-
Neon Schools Programme	4,666	-	(4,653)	-	13	-	(7)	-	6
Befriending/ Jigsaw Services	1,319	102	(1,125)	-	296	10,044	(1,568)	-	8,772
Kickstart	2,050	7,815	(6,987)	(2,878)	-	-	-	-	-
Pola Dot Playgroup	-	500	(890)	390	-	600	(1,713)	1,113	-
Share the Light	1,864	975	-	-	2,839	5,265	(185)	(7,919)	-
Pathways	-	625	(352)	-	273	190	(271)	-	192
Postcode Funds	-	-	-	-	-	25,000	(6,858)	-	18,142
	<u>477,851</u>	<u>73,567</u>	<u>(145,661)</u>	<u>(393,418)</u>	<u>12,339</u>	<u>113,996</u>	<u>(62,758)</u>	<u>(4,475)</u>	<u>59,102</u>

C3 TRUST UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024

	Charity Movement in funds								
	Balance at 1 April 2022	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024
Dream Offering	430,684	-	(39,754)	(390,930)	-	-	-	-	-
Garfield Weston Foundation	30,000	-	(30,000)	-	-	-	-	-	-
Bernard Sunley Foundation	-	30,000	(30,000)	-	-	-	-	-	-
Benedict Trust	-	-	-	-	-	7,200	(7,200)	-	-
Viola	-	-	-	-	-	48,697	(16,707)	-	31,990
	<u>460,684</u>	<u>30,000</u>	<u>(99,754)</u>	<u>(390,930)</u>	<u>-</u>	<u>55,897</u>	<u>(23,907)</u>	<u>-</u>	<u>31,990</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

---

**22 Restricted funds (continued)**

Funds previously raised under the Dream Offering for the Waverley project in Sheffield have now been successfully repurposed as part of a Special Scheme which was approved by the Charity Commission in 2022. This means that the remaining funds can be used to invest into the Hope Centre in Sheffield and committed in full after 07 April 2023. This capital work will be considerable and ongoing, but has started with essential repairs to the roof and brickwork. Initial work has been part funded by external funders such as Garfield Weston Foundation, Bernard Sunley Foundation and All Churches Trust (now Benefact Trust). A fundraising strategy is currently being developed to leverage additional external funding, with remaining funds being deployed to cover the extensive works required to maintain and, in some areas, redevelop the building.

Funds received from Benedict Trust and Viola during the year are all towards significant capital work, specifically reception and café area refurbishments along with solar panels and new signage on the Hope Centre.

The charity has received its final instalment of a three year grant from the Henry Smith Charity. The grant has been awarded to assist with capacity building or projects and to strengthen the role of volunteering in the charity and has funded a Volunteer Coordinator for the whole of the period of the funding.

Various funders contributed to our efforts to tackle the immediate impact of COVID-19 and the cost of living crisis by providing emergency food provision through our Hope Hampers to those affected either directly or indirectly.

In order to contribute to a planned project working with young people in schools, funds were raised largely through Aviva Community Fund to the Neon Schools Programme. This project has continued during the year with one person employed for one day a week.

Jigsaw services are now providing two weekly sessions for over 55s. In the last year 1,170 attendees have participated in Jigsaw activities.

Kickstart provides work placements for young people. This project has completed during the year.

Polka Dots Playgroup has delivered weekly sessions during term time. In the last year 234 attendees have participated in Polka Dots activities.

Pathways is a listening and signposting process designed to enable us to meet the multiple needs of our service users. It recognises that people connect with us often and mostly at a single point of need but meeting that need doesn't necessarily provide that person with the full support they need to help them to move forward in life. The signposting process helps to identify other needs and connect people with other services which they may find useful as well as providing them with an opportunity to connect with one of our chaplaincy team form the church if they so wish who can provide them with pastoral support.

Postcode Funds has been received in order to carry out necessary capital upgrades.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

**23 Analysis of net assets between funds (continued)**

			Charity			
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 March 2024 are represented by:						
Tangible assets	1,545,763	-	1,545,763	1,687,113	-	1,687,113
Current assets/(liabilities)	172,726	31,990	204,716	224,040	-	224,040
Long term liabilities	<u>(602,001)</u>	<u>-</u>	<u>(602,001)</u>	<u>(645,147)</u>	<u>-</u>	<u>(645,147)</u>
	<u>1,116,488</u>	<u>31,990</u>	<u>1,148,478</u>	<u>1,266,006</u>	<u>-</u>	<u>1,266,006</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Unrealised gains included above:						
On tangible fixed assets	<u>419,964</u>	<u>-</u>	<u>419,964</u>	<u>419,964</u>	<u>-</u>	<u>419,964</u>
	<u>419,964</u>	<u>-</u>	<u>419,964</u>	<u>419,964</u>	<u>-</u>	<u>419,964</u>
Reconciliation of movements in unrealised gains:						
Unrealised gains at 1 April 2023	419,964	-	419,964	419,114	-	419,114
Revalued element of fixed assets sold during period	-	-	-	-	-	-
Revaluation of tangible fixed asset	<u>-</u>	<u>-</u>	<u>-</u>	<u>850</u>	<u>-</u>	<u>850</u>
Unrealised gains at 31 March 2024	<u>419,964</u>	<u>-</u>	<u>419,964</u>	<u>419,964</u>	<u>-</u>	<u>419,964</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**24 Operating lease commitments**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Within one year	77,750	107,856	77,750	107,856
Between two and five years	-	238,767	-	2238,767
In over five years	-	<u>55,500</u>	-	<u>55,500</u>
	<u>77,750</u>	<u>402,123</u>	<u>77,750</u>	<u>402,123</u>

**Capital commitments**

The group and charity had no capital commitments at 31 March 2024.

**25 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Aggregate compensation	<u>107,321</u>	<u>66,340</u>	<u>107,321</u>	<u>66,340</u>

The trustees review payments made to employees in similar managerial positions in other churches and similar organisations when considering the levels of pay for key managers. The trustees also take into consideration the ability of the charitable company to be able to pay such salaries.

**26 Subsidiaries**

These financial statements are separate company financial statements for C3 Trust UK.

The charity has control of 100% of the assets and trade of **Hope Community Foundation** a charitable company limited by guarantee. The company operates as a children's nursery on church premises utilising assets purchased by the charity and carries out other community based activities. Hope Community Foundation became a registered charity in March 2004 (charity number 1102542). At the year-end Hope Community Foundation had net assets of £5,299 (2023: £6,282 net liabilities). During the year ended 31 March 2024 its total incoming resources were £350,534 (2023: £389,996) and its total resources expended were £338,953 (2023: £404,323) leaving a net increase in funds of £11,581 (2023: £14,327 net decrease).

C3 Trust UK owns 100% of the ordinary share capital of **Hope Centre Limited** a trading company which generates funds for the church. Hope Centre Limited began trading on 1 April 2003, it operates from church premises and its principal activity is the letting of conference facilities and running a children's play area and café. At 31 March 2024 the net liabilities of Hope Centre were £625,067 (2023: £608,006). Its turnover for the year ended 31 March 2023 was £75,145 (2023: £70,627) and its total resources expended were £92,206 (2023: £64,458) leaving a loss for the year of £17,061 (2023: profit £6,169).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**Cash generated from operations**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Deficit for the year	(104,420)	(307,568)	(117,528)	(310,505)
Adjustments for:				
Investment income recognised in statement of financial activities	(989)	(1,611)	(971)	(1,611)
Loss/(gain) on disposal of tangible fixed assets	119,294	-	119,294	-
Depreciation and impairment of tangible fixed assets	85,930	72,896	85,121	72,087
Movements in working capital:				
Decrease/(increase) in stock	50	-	-	-
Decrease/(increase) in debtors	15,107	(13,936)	11,164	(14,786)
(Decrease)/increase in creditors	(36,734)	30,227	(31,489)	32,729
Increase/(decrease) in deferred income	-	-	-	-
<b>Cash generated from/(absorbed by) operations</b>	<u>78,238</u>	<u>(219,992)</u>	<u>65,591</u>	<u>(222,086)</u>

**27 Analysis of changes in net (debt)/funds**

	At 1 April 2023	Group		At 31 March 2024
		Cash flows £	New finance leases £	
Cash at bank and in hand	332,759	(44,145)	-	288,614
Loans falling due within one year	(62,049)	(1,160)	-	(63,209)
Loans falling due after more than one year	(681,819)	58,137	-	(623,682)
Obligations under finance leases	<u>(23,437)</u>	<u>6,250</u>	<u>-</u>	<u>(17,187)</u>
	<u>(434,546)</u>	<u>19,082</u>	<u>-</u>	<u>(415,464)</u>
	At 1 April 2023	Charity		At 31 March 2024
		Cash flows £	New finance leases £	
Cash at bank and in hand	296,938	(42,227)	-	254,711
Loans falling due within one year	(53,716)	2,579	-	(51,137)
Loans falling due after more than one year	(627,961)	36,897	-	(591,064)
Obligations under finance leases	<u>(23,437)</u>	<u>6,250</u>	<u>-</u>	<u>(17,187)</u>
	<u>(408,176)</u>	<u>3,499</u>	<u>-</u>	<u>(404,677)</u>



**C3 TRUST UK**

England & Wales - Charity number 1119791

---

# Accounts

---

CHARITY REGISTRATION NUMBER 1119791  
COMPANY REGISTRATION NUMBER 5999100

**C3 TRUST UK**  
**GROUP ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

## C3 TRUST UK

### LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	C Davies C W Davies O Olarinde M Muthiah J Hemmingfield
<b>Secretary</b>	A E Ibbotson
<b>Charity number</b>	1119791
<b>Company number</b>	5999100
<b>Principal address</b>	The Hope Centre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Registered office</b>	The Hope Centre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Auditors</b>	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield South Yorkshire S8 0XF
<b>Bankers</b>	Barclays Bank plc City Office Sheffield S1 1NG
<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR

## C3 TRUST UK

### CONTENTS

---

	<b>Page</b>
Trustees' report	1 – 9
Statement of trustees' responsibilities	10
Independent auditors' report	11 – 14
Consolidated statement of financial activities	15 – 16
Statement of financial activities	17 – 18
Consolidated balance sheet	19
Balance sheet	20
Statement of cash flows	21
Notes to the accounts	22 – 45

# **C3 TRUST UK**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2023**

---

The Trustees present their report and consolidated accounts for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 "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**

The Articles of Association restrict the objectives of the Church to:

- a) advance the Christian faith in accordance with the Statement in such way 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 may think fit; and
- c) to advance education in such parts of the United Kingdom or the world as the directors from time to time may think fit.

Under the broad objects of the charity, each church belonging to C3 Trust UK has been granted the autonomy, under a formal and agreed 'Scheme of Delegation', to define a vision for their local church which reflects their aspirations for their location and their church community. In this year all churches have continued to operate under the terms of the scheme of delegation and work within the wider structure of the Executive Board reporting to the Board of Trustees through the Chief Executive.

Over the past year further moves have been made to strengthen local church governance, in the preparation of the journey to independence of C3 Newcastle, C3 Sunderland and the future independence of C3 YRKS and C3 Liverpool. By working alongside the Lead Pastors of C3 Newcastle and C3 Sunderland we have been able to ensure a smooth transition away from C3 Trust UK by undertaking a process of due diligence and support. This has informed and equipped these churches and their leaders and has also ensured that C3 Trust UK has been able to bring about a change which protects the long-term interest of the charity at the same time as seeking to underpin and enable the mission of the wider church.

All other charitable activities undertaken by the Church are to further the attainment of the above objectives.

The trustees have paid due regard to the guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **C3 Trust UK Churches**

Over the past year as a whole, we have continued to see a steady and encouraging level of aggregated net growth in in-person attendance at church services. The overall number of those attending in-person has increase by 30% based on the previous years to 690 attendees.

Being strongly networked across other churches which are part of the C3 Global network of churches, we have been able to see how our journey has reflected that of other churches. In many ways, we believe that the events of 2020 placed our churches at an advantage in addressing some of the underlying aspects of church strategy, culture and design which have affected other churches across the western world in the past two years. We are now seeing the fruit of this concentrated effort.

# C3 TRUST UK

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

---

At local church level the charity currently houses the remaining churches pending completion of the transition to independence. The work of the local churches is led by each of the Lead Pastors for each church. Each church then has its own local leadership which acts primarily to ensure that the local vision of the church is advanced, whilst recognising the connection and interdependence that remains across all of the churches which form part of C3 Trust UK.

Across all churches our current estimate is that we remain at approximately 1,867 members as at 31 March 2023. By the end of August 2023 this has risen slightly to approximately 1,965, although from April 2023, C3 Newcastle and C3 Sunderland became independent. This apparent reduction compared to the previous year is largely attributable to accuracy of data which has been difficult to qualify during and after the COVID-19 pandemic.

#### Church Membership (as per database)

Church Name	31/03/23	30/08/23	Average attendance in person
C3 Hope (Sheffield)	1350	1400	430
C3 YRKS (Leeds & York)	215	247	100
C3 Liverpool	90	90	55
C3 Newcastle	160	173	75
C3 Sunderland	52	55	30
<b>TOTALS</b>	<b>1867</b>	<b>1965</b>	<b>690</b>

Church attendance in-person has shown a healthy rate of growth over the past year for the most part and subsequently online church attendance has reduced as a result.

Across all our churches there are more than 370 volunteers involved in serving and leading. This is a significant increase in volunteering from the previous yearly total of 300 volunteers, and evidence that the church is recovering in both attendance and in engagement. As the charity continues to transition in the coming months, we expect these statistics to reflect this.

#### Movement Towards Independence

All churches and their Lead Pastors have focused on rebuilding a strong and renewed sense of trust, a new culture and vision for the future, assembling and growing new teams, engaging new church members, enabling a greater level of transparency, managing financial risk, and creating a fresh momentum. At the same time, churches are establishing their respective pathways to independence as separate legal entities. This has been evidenced with the release of C3 Newcastle and C3 Sunderland and the scheduled release of C3 YRKS and C3 Liverpool at the end of March 2024.

C3 Liverpool is currently undergoing a transition of leadership which is being supported pastorally and practically by C3 Trust UK Trustees, members of C3 Trust UK Executive and by C3 Europe. Trustees greatly appreciate the work of David and Lisa Stoner, who have led the church faithfully for many years in Liverpool, through challenging times. John and Amelia Clarke, previously the Assistant Pastors, will take on the Lead Pastor role as the church moves towards independence.

While Trustees have throughout this time remained active in their involvement and support, there is now a clear sense of C3 Trust UK, and its respective churches, being able to move forward towards a positive future, having successfully navigated three challenging years. Trustees are currently reviewing their role, focus and involvement to be able to revert to the place of strategic oversight, having confidence in appointed leadership and in the strength of governance which has been built in recent years.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

---

#### **Organisational Development**

Alongside the continued return of people to in-person services, the focus on discipleship and pastoral care across churches, particularly through small groups and volunteer teams, has undoubtedly been a key ingredient in helping to cultivate new and healthy culture, both across leadership and in the wider church. Policies, processes, and structures designed to strengthen and underpin this culture have been widely adopted and embedded, providing an excellent foundation for the future. This represents significant cultural change which continues to provide benefits to C3 Trust UK.

A clear focus from church leaders in maintaining a culture of honesty, transparency and openness has resulted in a significant degree of reciprocity from church members. Regular financial and non-financial reporting has been widely appreciated.

There continues to be a clear recognition that good strategy, planning, communication, management and learning and development are all integral and essential elements which underpin the vision and values of the local church. This has led to stronger teams, greater empathy, more informed decision-making, more robust dialogue, moderation of pace and greater clarity around priorities and focus.

Trustees are confident that the considerable amount of hard work and prayer which has been invested into change will continue to bear fruit across all of our churches, and as the churches move into legal independence.

#### **C3 Trust UK Property and Premises**

While the charity's buildings, whether owned or leased, have served churches well, they have not been without their challenges during this time. In enabling the independence for C3 Newcastle, C3 Trust UK trustees took advice on how best to manage the tenancy of the church building in Newcastle. It was agreed with the landlord to sublet the building to C3 Newcastle as a new charity, and in doing so provide C3 Newcastle with the stability of a building for the foreseeable future.

C3 Trust UK has expressed a desire to exit the lease for the building currently being occupied by C3 Liverpool, whose intention would be to find alternative premises from April 2024. We are currently in the process of seeking to assign the current lease to another church in Liverpool and hope to complete this process by January 2024 subject to agreements with the landlord.

The Sheffield based Hope Centre, is a 54,000 ft<sup>2</sup> building which is the home of C3 Hope and comprises a large auditorium and overflow facility ('The Forge' with seating capacity for over 150 people) as well as varied and extensive conferencing and training rooms, lettable and dedicated office space, a community hub and café. In the financial year to which these accounts relate, the use of the building for conferencing continued to perform better than expected and a development plan is currently being revised to capitalise on this opportunity to fundraise for the charity using the physical asset.

Trustees will continue to focus on housing a mixture of church, community and commercial activities designed to deliver church health and growth, social value and longer-term financial sustainability for the building and the church in Sheffield.

C3 Hope has been able to invest significantly in remedial works roof and brickwork of the Hope Centre. This investment has been made possible in part due to external funding from Benefact Trust, Garfield Weston and Bernard Sunley Charitable Trusts and by C3 Trust UK's re-purposed 'Dream Offering' fund which was able to be committed from 7 April 2023 in line with the C3 Trust UK's agreement with Charity Commission. The remainder of this fund is to be invested in capital works to the Hope Centre, including the recent

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

---

installation of Solar PV panels which will reduce the running costs of the building, renewed external signage and funds towards the next phase of remedial works to the internal aspects of the building. A fundraising strategy is currently being implemented to enable this second phase of works to be undertaken, which will include but not be limited to refurbishing reception, our community areas and the toilets throughout the building.

C3 Sunderland, now an independent charity, has occupied several venues on a short-term basis since 2022 but is looking forward to remaining in their new venue from October 2023, providing a more permanent base from which the church can operate and continue to grow.

#### **Outreach, Social Action and Missions**

The continued commitment to serving communities has been encouraging to see, with the churches continuing, where they can, to undertake outreach and social action projects commensurate with their capacity to undertake these activities. C3 Hope, C3 YRKS and C3 Liverpool have between them operated substantial social action and outreach projects whilst other churches have run regular or seasonal projects providing much needed support to local families and continue to develop local partnerships to support social action overall.

C3 YRKS, as a Christian community, operates a separate and independent charity called Project Hope (Charity No 1146856) which has continued to invest in social action projects in disadvantaged areas of Leeds, and is in the process of entering into Community Asset Transfer for a property which will house church and community activities located in the LS9 area.

C3 Hope operates Hope Community Foundation (Charity No 1102542), part of the C3 Trust UK group which operates an early year setting and other regular community projects and groups, impacting the lives of thousands of local people each year including a community grocery, created in partnership with The Message Trust (Charity No 1081467), which has currently amassed over 1700 members.

Hope Community Foundation has continued to deliver much needed services to the local community in Sheffield, including through its community nursery (Little Ark Nursery & Pre-School) and through a growing number of community projects which have continued to gain momentum in the last year. The addition of a Community Grocery in April 2021, now in its third year of operation, partnering with The Message Trust (Charity Number 1081467) was shortly followed by the launch of Hope Hampers Food Bank, which was discontinued in January 2023 so the charity could focus its relief of food poverty on the community grocery. Both initiatives have added significantly to the social impact delivered under Hope Community Foundation. Community projects such as Polka Dots Play Group and Jigsaw Café have helped the charity to build its support for young families and the elderly respectively. The donation-based Foundation Café provides a vital and vibrant connection point from which the social value created through each project can be compounded for beneficiaries. These vital projects have been accompanied by the more recent addition of the Café Connect project which focuses on delivering conversational English tuition mainly to immigrants coming into Sheffield from Hong Kong and the implementation of short-term projects such as a school uniform project and a car boot sale, both of which were successful.

Hope Community Foundation has continued to extend its scope and reach and now has over 90 regular volunteers supporting and enabling the work of the charity.

C3 Hope also hosted the Global Leadership Summit for the first time in November 2022. The Global Leadership Summit was established in the USA and the Hope Centre is one of a number of UK host venues for the event. This successful event attracted leaders from around the region to focus on leading people and organisations well.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

---

C3 Hope also embarked upon other missions related work including a missions trip to Europe and the relaunch of our partnership with Red Frogs. Founded in Australia, Red Frogs has had a significant impact on students and young adults and aims to establish the model in the UK and Europe.

C3 Liverpool has also continued to provide a home for a community grocery, working in partnership with others and providing poverty relief for over 100 families as well as providing over 230 Christmas Hampers to local families with the assistance of grant funding from Tesco Community Grants.

#### **C3 Trust UK Property**

The Sheffield based Hope Centre, is a 54,000 ft<sup>2</sup> building which is the home of C3 Hope and comprises a large auditorium and overflow facility ('The Forge' with seating capacity for over 150 people) as well as varied and extensive conferencing and training rooms, lettable and dedicated office space, a community hub and café.

We will continue to focus on the building housing a mixture of church, community and commercial activities designed to deliver church health and growth, social value and longer-term financial sustainability for the building and the church.

Despite recent challenges largely brought on by the global pandemic, the building has continued to provide a means to deliver a number of much needed community projects. These have included our partnership with The Message Trust, a Christian Charity based in the Northwest of England whose objects are closely aligned with those of C3 Trust UK. The Foundation Community Grocery currently with more than 1,700 members, provides affordable food for local people in need. This partnership creates social value amongst areas that experience acute deprivation and disadvantage.

Funds previously raised for the Waverley project in Sheffield have now been successfully repurposed as part of a Special Scheme which was approved by the Charity Commission in 2022. This means that remaining funds can be used to invest into the Hope Centre in Sheffield and committed in full after the 07 April 2023. This capital work will be considerable and ongoing but has started with essential repairs to the roof and some repairs to brickwork. Initial work has been part funded by external funders such as Garfield Weston Foundation, Bernard Sunley Foundation and All Churches Trust (now Benefact Trust). A fundraising strategy is currently being developed to leverage additional external funding, with remaining funds being deployed to cover the extensive works required to maintain and, in some areas, redevelop the building.

During this financial year, C3 Newcastle and C3 Liverpool have continued to service leases on properties which they have adapted to one extent or another to meet the needs of the church. These leases continue to represent a significant ongoing cost and overhead to these local churches. In the case of the C3 Liverpool premises on Kempston Street, Liverpool, the loss of the sole tenant in their building has continued to represent a challenge to C3 Liverpool. Financial and practical support is being provided to the church from C3 Hope and C3 YRKS, in lieu of consideration and qualification of the charity's options moving forward.

#### **Annual Giving**

From April 2021, most churches have continued to supplement regular giving with an additional annual one-off offering in the form of a 'Vision Builders' or 'Heart for the House' appeal. This separate offering varies with each church, but continues to mostly cover building and venue costs, local missions, and ministries as well as funding other usual and general local church activities. The funds raised from these campaigns is unrestricted but designated to operational running costs for the most part and at present forms part of the income required to cover the operating costs of the respective church.

For each annual campaign the giving consists of one-off donations, standing orders and financial pledges which are redeemed during the months following the initial commitment.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

---

##### **Staffing**

As of August 2023, gross monthly pay on salaries for C3 Trust UK was £33,914.84 for 19 people working on either a full time or part time basis.

Salary bands brought into effect in 2020-21 financial year are continuing to provide a framework and guidance for recruitment and selection and salary reviews and trustees continue to give sensitive consideration to making every effort to manage pressure on real time salaries arising from the cost of living crisis. Trustees have made a number of improvements to staff terms and conditions including additional leave and sickness entitlement.

Moving forward, Trustees are keen to ensure that salaries reflect those of similar positions in the faith and voluntary sectors. The recent cost of living and inflationary pressures on the economy have represented a setback, but the commitment to this as part of our overall HR Strategy is key to staff recognition, reward, and retention. A recent sector-based benchmarking exercise will help to inform action for the future.

As the shape of the organisation continues to change, so too do staffing requirements. The HR function has been a vital part of ensuring that we manage recruitment, role changes and redundancy processes in line with good practice.

##### **Subsidiary and other controlled companies**

The achievements and performance of the church's subsidiaries and other controlled companies for the year ended 31 March 2023 were as follows:

- Hope Centre Limited through its trading activities made a profit of £6,169 (2022: loss of £8,587). Closing shareholders' funds were in deficit at £608,006 (2022: £614,175). Hope Centre Limited is a limited company incorporated in England and Wales and C3 Trust UK owns 100% of the share capital. The nature of its business is the provision of conference facilities, running a cafe and a children's play area.

- Hope Community Foundation, made a deficit of £14,327 (2022: deficit of £8,117). Closing funds were £(6,282) (2022: £8,045) of which £12,339 (2022: £17,167) were restricted and £(18,621) (2022: £(9,122)) were unrestricted. Hope Community Foundation is a charitable company registered in England and Wales. C3 Trust UK are able to appoint and remove the trustees of this charitable company and the nature of its business is the provision of nursery education and care and community based activities.

##### **Financial review**

The trustees make strategic decisions based on the financial position of the church by reference to the financial information (i.e. budgets, cash flows) provided to them. They do not however carry out the routine day to management of the church, for which the budget leader for each department is responsible.

The Statement of Financial Activities shows a net decrease in funds of £309,655 (2022: £127,562 decrease). The church has general unrestricted reserves of £846,042 excluding the revaluation reserve, compared with £695,863 the previous year. The trustees have identified that the reserves are at a low level, representing 82% (including the revaluation reserve) of annual net resources expended (2022: 81%). This percentage is slightly higher than the previous year. The freely available unrestricted reserves were £224,039.

The Consolidated Statement of Financial Activities shows a net decrease in funds of £306,718 (2022: £128,966). The group has general unrestricted reserves of £1,526,473 excluding the revaluation reserve, compared with £1,362,359 the previous year. The trustees have identified that the reserves are at a low level,

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

---

representing more than 61% (including the revaluation reserve) of annual net resources expended (2022: 58%). The freely available unrestricted reserves were £206,489.

Trustees are mindful of inflationary and economic pressures which inevitably have an impact on the operational costs of the organisation. Interest rates have affected mortgage rates, which has a direct impact on C3 Hope. In addition, trustees are mindful of the general financial risks which C3 Trust UK continues to manage effectively at a time of economic volatility.

The financial results for the subsidiary entities are shown in note 26 to the accounts.

#### **Reserves**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained as a level equivalent to between three and six months expenditure. The trustees consider the reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Trustees are cognisant of the fact that the continued move towards devolution and independence of the churches, whilst serving a longer-term goal, has short term impact on the audited financial position of C3 Trust UK. Divesting itself of fixed assets either by assignment of leases or by gifting of locally accumulated assets and cash reserves will impact on both the Balance Sheet and Depreciation. This should not detract from the underlying operational financial health of C3 Trust UK which continues to outwork a medium to long-term plan to operate with adequate financial margin and build unrestricted cash reserves.

#### **Recent investments**

Given the more recent history and learning which has taken place across the Charity, significant attention and investment has been devoted to health and wellbeing and towards strengthening organisational infrastructure and cultural change. As well as supporting church leaders and many of their teams through their own journey the Charity has continued to invest in building and strengthening policy and procedure particularly as it related to the safeguarding of staff, volunteers, and the wider congregations.

Trustees remain committed to investing in change and improvement which will manage risk, promote shared values and healthy culture and provide a sound basis for the future for everyone who has found their home in our churches irrespective of the future structure of the Charity itself.

This is reflected specifically in an intentional and coordinated approach to role-related training and development with learning needs being identified systematically and a programme of training interventions being developed to meet those needs, as well as our continued strengthening of the Human Resources function by appointing Croner as our HR Advisers.

#### **Goals and Developments**

The goals stated in the Trustees' Annual report 2021-22 have either been fully met or are well underway and Trustees are pleased with this progress. This coming year is a pivotal time which will culminate in the final stages of independence for our churches with, the founding church, C3 Hope, being the one remaining component of C3 Trust UK.

The key goals of C3 Trust UK for the forthcoming 12-18 months are:

- To conclude the successful transition to independence of C3 YRKS and C3 Liverpool including the successful assignment of the Liverpool lease.

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

---

- To consolidate all remaining operations into C3 Hope, Sheffield and reorient the C3 trust UK's charity and spiritual governance commensurate with that change.
- To continue with the remedial works required to The Hope Centre by completing phase 2 of capital works and beginning to design the next phase of works.
- To build staff and volunteering capacity and capability by scaling up, designing and implementing targeted, blended learning and development.
- To continue to establish and strengthen healthy church culture in every aspect of church life
- To further strengthen engagement in the quality and number of groups across the church and to cultivate community, discipleship, leadership development and mission.
- To continue to effectively manage risk and build the underlying solutions which will strengthen financial sustainability over the long term, including trading income generation, fundraising and cost control.
- To continue to establish a missional and outward focused church bringin the goof news of Jesus Christ to the world around us.

The goals represent clear intentionality both around continuing to further the core objectives of the charity, whilst at the same time transitioning churches from managed autonomy through legal independence.

#### **Structure, Governance and Management**

C3 Trust UK is a company limited by guarantee and a registered charity. The Company was incorporated on 15 November 2006 and commenced activities on 1 April 2007 when it took over the assets, liabilities and running of the Church. C3 Trust UK was formerly Hope City Church until its change of name was approved by Charity Commission on 23 September 2021.

The Trustees, who are also directors for the purpose of company law, and who served during the period are:

C Davies  
P Benger (resigned 26 January 2023)  
C W Davies  
O Olarinde  
M Muthiah  
J Hemmingfield

C3 Trust UK is a registered charity which governs a group of churches now exclusively in the UK as of April 2021. Each church has been affiliated with C3 Church Global since 2013 and all seek spiritual oversight from C3 whilst being accountable in charity and company terms to the trustees and directors of C3 Trust UK as an independent and autonomous organisation. Each church belonging to C3 Trust UK has its own local identity.

- C3 Hope – located in Sheffield and serving the Sheffield City Region
- C3 YRKS – located in Leeds and York and serving these cities and the surrounding area
- C3 Liverpool – located in Liverpool and serving this city and the surrounding area
- C3 Newcastle – became independent from 1 April 2023 (Charity Number 1201903)
- C3 Sunderland- became independent from 1 April 2023 (Charity Number 1202027)

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

---

Now fast approaching the end of an extended period of transition, our former churches in London, Kuala Lumpur and Accra have now been operating independently for some time within the wider C3 movement Globally. C3 Global is a worldwide community of Christian churches that come together as one movement under the direction and leadership of C3 Church Global Directors and their Team.

In accordance with both the charity's governing documents and C3's recommendations, there are at least three Managing Trustees at any one time and Trustees who are not on the charity's payroll should be in the majority. None of the Trustees have any beneficial interest in the company. All the Trustees are also the Members of the company and guarantee to contribute £1 in the event of a dissolution or winding up. Following recent recommendations, when a Trustee vacancy occurs, potential candidates with the relevant experience, skill set, and expertise will be identified and discussed at Board meetings. Once this process has taken place, one of the Trustees will then approach the prospective candidate, with further due diligence taking place before any official appointment is made.

C3 Trust UK is a registered charity (number 1119791), and a company limited by guarantee (number 5999100).

Hope Centre Limited is a wholly owned trading subsidiary of C3 Trust UK and operates to both generate funds to resource the wider mission of C3 Trust UK and to deliver the non-primary purpose trading of the charity.

Hope Community Foundation, a company limited by guarantee with separate charitable objects and status is also connected with C3 Trust UK. With its primary focus of operation and area of benefit in Sheffield at the time of this report, it operates an Ofsted Registered Early Years Day Nursery on the Sheffield church premises (The Hope Centre) and a number of community projects intended to deliver the social mission of C3 Trust UK and more specifically its church in Sheffield, C3 Hope.

The Trustees have continued to identify and assess and manage the major risks to which C3 Trust UK is exposed and are satisfied that the mitigation and systems are in place to limit exposure to these risks.

#### **Disclosure of Information to Auditors**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

On behalf of the Board of Trustees

**C Davies**

Trustee

Dated: 2 October 2023

## **C3 TRUST UK**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

---

The trustees, who are also the directors of C3 Trust UK for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK**

### **Opinion**

We have audited the financial statements of C3 Trust UK (the 'charitable company') for the year ended 31 March 2023 which comprise the consolidated Statement of Financial Activities, the parent Statement of Financial Activities, the consolidated Balance Sheet, the parent Balance Sheet, the consolidated Statement of Cash Flows, the parent Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of accounts section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusion relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year of which the accounts are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

### **Responsibilities of the trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors, enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK  
(CONTINUED)**

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of the Part 16 of the Companies Act 2006. Our audit work has been undertaken, so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Michael Mealing (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

**2 October 2023**

**Chartered Accountants  
Statutory Auditor**

## C3 TRUST UK

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
<b><u>Income from:</u></b>							
Donations and gifts	3	1,158,185	43,567	1,201,752	1,114,704	139,467	1,254,171
Grants		-	30,000	30,000	-	-	-
Charitable activities	4	329,996	-	329,996	338,430	-	338,430
Other trading activities	5	67,090	-	67,090	51,680	-	51,680
Investments	6	1,611	-	1,611	818	-	818
Other income	7	-	-	-	62,866	-	62,866
<b>Total income</b>		<b><u>1,556,882</u></b>	<b><u>73,567</u></b>	<b><u>1,630,449</u></b>	<b><u>1,568,498</u></b>	<b><u>139,467</u></b>	<b><u>1,707,965</u></b>
<b><u>Expenditure on:</u></b>							
Raising funds	8	100,282	1,929	102,211	64,325	2,027	66,352
Charitable activities	9	1,692,075	143,731	1,835,806	1,626,167	144,412	1,770,579
Other	14	-	-	-	-	-	-
Grant paid to City Hearts (UK)		-	-	-	-	-	-
<b>Total expenditure</b>		<b><u>1,792,357</u></b>	<b><u>145,660</u></b>	<b><u>1,938,017</u></b>	<b><u>1,690,492</u></b>	<b><u>146,439</u></b>	<b><u>1,836,931</u></b>
<b>Net incoming/(outgoing) resources before associated undertakings and transfers</b>		<b>(235,475)</b>	<b>(72,093)</b>	<b>(307,568)</b>	<b>(121,994)</b>	<b>(6,972)</b>	<b>(128,966)</b>
Gross transfers between funds		<u>393,419</u>	<u>(393,419)</u>	-	<u>(60)</u>	<u>60</u>	-
<b>Net incoming/(outgoing) resources</b>		<b>157,944</b>	<b>(465,512)</b>	<b>(307,568)</b>	<b>(122,054)</b>	<b>(6,912)</b>	<b>(128,966)</b>
<b><u>Other recognised gains and losses</u></b>							
Revaluation of tangible fixed assets		<u>850</u>	-	<u>850</u>	-	-	-

## C3 TRUST UK

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

---

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Net movement in funds</b>		158,794	(465,512)	(306,718)	(122,054)	(6,912)	(128,966)
Fund balances at 31 March 2022		<u>1,063,190</u>	<u>477,851</u>	<u>1,541,041</u>	<u>1,185,244</u>	<u>484,763</u>	<u>1,670,007</u>
<b>Fund balances at 31 March 2023</b>		<u>1,221,984</u>	<u>12,339</u>	<u>1,234,323</u>	<u>1,063,190</u>	<u>477,851</u>	<u>1,541,041</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

## C3 TRUST UK

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
<b><u>Income from:</u></b>							
Donations and gifts	3	1,130,796	30,000	1,160,796	1,076,165	30,000	1,106,165
Charitable activities	4	33,596	-	33,596	76,589	-	76,589
Other trading activities	5	1,506	-	1,506	598	-	598
Investments	6	1,611	-	1,611	818	-	818
Other income	7	-	-	-	62,866	-	62,866
<b>Total income</b>		<b>1,167,509</b>	<b>30,000</b>	<b>1,197,509</b>	<b>1,217,036</b>	<b>30,000</b>	<b>1,247,036</b>
<b><u>Expenditure on:</u></b>							
Raising funds	8	20,565	-	20,565	15,221	-	15,221
Charitable activities	9	1,381,195	99,754	1,480,949	1,314,006	34,871	1,348,877
Other	14	6,500	-	6,500	10,500	-	10,500
<b>Total expenditure</b>		<b>1,408,260</b>	<b>99,754</b>	<b>1,508,014</b>	<b>1,339,727</b>	<b>34,871</b>	<b>1,374,598</b>
<b>Net incoming/(outgoing) resources before associated undertakings and transfers</b>		<b>(240,751)</b>	<b>(69,754)</b>	<b>(310,505)</b>	<b>(122,691)</b>	<b>(4,871)</b>	<b>(127,562)</b>
Gross transfers between funds		390,930	(390,930)	-	-	-	-
<b>Net incoming/(outgoing) resources</b>		<b>150,179</b>	<b>(460,684)</b>	<b>(310,505)</b>	<b>(122,691)</b>	<b>(4,871)</b>	<b>(127,562)</b>
<b><u>Other recognised gains and losses</u></b>							
Revaluation of tangible fixed assets		850	-	850	-	-	-
<b>Net movement in funds</b>		<b>151,029</b>	<b>(460,684)</b>	<b>(309,655)</b>	<b>(122,691)</b>	<b>(4,871)</b>	<b>(127,562)</b>

## C3 TRUST UK

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

---

Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Fund balances at 1 April 2022	<u>1,114,977</u>	<u>460,684</u>	<u>1,575,661</u>	<u>1,237,668</u>	<u>465,555</u>	<u>1,703,223</u>
<b>Fund balances at 31 March 2023</b>	<u>1,266,006</u>	<u>-</u>	<u>1,266,006</u>	<u>1,114,977</u>	<u>460,684</u>	<u>1,575,661</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# C3 TRUST UK

## CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2023

---

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		1,688,112		1,700,300
<b>Current assets</b>					
Stocks	16		150		150
Debtors	17		67,343		53,406
Cash at bank and in hand			<u>332,759</u>		<u>638,341</u>
			400,252		691,897
<b>Creditors: amounts falling due within one year</b>	18		<u>(172,222)</u>		<u>(131,911)</u>
Net current assets			<u>228,030</u>		<u>559,986</u>
<b>Total assets less current liabilities</b>			1,916,142		2,260,286
<b>Creditors: amounts falling due after one year</b>	19		<u>(681,819)</u>		<u>(719,245)</u>
<b>Net assets</b>			<u>1,234,323</u>		<u>1,541,041</u>
<b>Income funds</b>					
Restricted funds	22		12,339		477,851
<u>Unrestricted funds:</u>					
Retained within the charity			1,526,473		1,362,359
Revaluation reserve			<u>315,956</u>		<u>315,106</u>
			1,842,429		1,677,465
Non-charitable trading funds			<u>(608,106)</u>		<u>(614,275)</u>
			<u>1,234,323</u>		<u>1,541,041</u>

The financial statements were approved by the board of directors and authorised for issue on 2 October 2023 and are signed on its behalf by:

C Davies  
Trustee

Company Registration No. 5999100

# C3 TRUST UK

## BALANCE SHEET

AS AT 31 MARCH 2023

---

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		1,687,113		1,698,492
<b>Current assets</b>					
Stocks	16	100		100	
Debtors	17	65,139		50,356	
Cash at bank and in hand		<u>296,939</u>		<u>599,618</u>	
		362,178		650,074	
<b>Creditors: amounts falling due within one year</b>	18	<u>(138,138)</u>		<u>(99,493)</u>	
Net current assets			<u>224,040</u>		<u>550,581</u>
<b>Total assets less current liabilities</b>			1,911,153		2,249,073
<b>Creditors: amounts falling due in more than one year</b>	19		<u>(645,147)</u>		<u>(673,412)</u>
<b>Net assets</b>			<u>1,266,006</u>		<u>1,575,661</u>
<b>Income funds</b>					
Restricted funds	22		-		460,684
<u>Unrestricted funds:</u>					
General unrestricted funds		846,042		695,863	
Revaluation reserve		<u>419,964</u>		<u>419,114</u>	
			<u>1,266,006</u>		<u>1,114,977</u>
			<u>1,266,006</u>		<u>1,575,661</u>

The financial statements were approved by the board of directors and authorised for issue on 2 October 2023 and are signed on its behalf by:

C Davies  
Trustee

Company Registration No. 5999100

## C3 TRUST UK

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Group			
		2023	2023	2022	2022
		£	£	£	£
<b>Cash flow from operating activities</b>					
Cash generated from operations	27		(219,992)		(164,867)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(59,858)		(14,801)	
Tangible fixed assets funded by hire purchase		24,999		-	
Proceeds on disposal of tangible fixed assets		-		147,135	
Interest received		<u>1,611</u>		<u>818</u>	
<b>Net cash (used in)/ generated from investing activities</b>			(33,248)		133,152
<b>Financing activities</b>					
Repayment of bank loans		(50,780)		(56,833)	
Payment of obligations under finance lease		<u>(1,562)</u>		<u>-</u>	
<b>Net cash (used in)/generated from financing activities</b>			<u>(52,342)</u>		<u>(56,833)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(305,582)		(88,548)
Cash and cash equivalents at beginning of year			<u>638,341</u>		<u>726,889</u>
<b>Cash and cash equivalents at end of year</b>			<u>332,759</u>		<u>638,341</u>
<b>Charity</b>					
		2023	2023	2022	2022
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27		(222,086)		(164,108)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(59,858)		(13,229)	
Tangible fixed assets funded by hire purchase		24,999		-	
Proceeds on disposal of tangible fixed assets		-		147,135	
Interest received		<u>1,611</u>		<u>818</u>	
<b>Net cash (used in)/ generated from investing activities</b>			(33,248)		134,724
<b>Financing activities</b>					
Repayment of bank loans		(45,784)		(56,833)	
Payment of obligations under finance lease		<u>(1,561)</u>		<u>-</u>	
<b>Net cash used in financing activities</b>			<u>(47,345)</u>		<u>(56,833)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(302,679)		(86,217)
Cash and cash equivalents at beginning of year			<u>599,618</u>		<u>685,835</u>
<b>Cash and cash equivalents at end of year</b>			<u>296,939</u>		<u>599,618</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**1 Accounting policies**

**Company information**

C3 Trust UK is a private company limited by guarantee incorporated in England and Wales. The registered office is The Hope Centre, Bernard Road, Sheffield, S2 5BQ.

**1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the main functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and leasehold properties. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future whilst recognising the issues raised in respect of going concern.

Since 2020 the charity has undergone significant internal restructure including the ongoing release of churches into independence. This has been an intentional decision made by trustees whilst recognising that this strategy would inevitably impact on the short to medium term position of the charity's net worth. The incremental impact of this devolutionary transition has been evidenced in the successive annual accounts since this time and will be reflected further in the projected position for Financial Year 2023/24 resulting from the finalisation of the transition process, through the planned release of C3 YRKS and C3 Liverpool.

Whilst the release of churches has had an impact, it has also served to divest the charity of the risks associated with a multi-site model of church, and the need to offer additional support for churches who have been unable to support themselves through local giving.

From April 2024, the intention is that the charity will comprise C3 Hope (Sheffield) only, on a reduced operating cost basis with further cost reductions being made from restructure and no requirement to provide support to other churches. C3 Hope has seen encouraging financial results in the past year which are projected to continue beyond April 2024, improving the cash position of the charity as a result. The charity continues to work closely to ensure tight monitoring, review and controls are in place to ensure the season of transition is concluded well and the medium to long term financial strength of the charity is established and strengthened.

All these things considered, the Trustees are confident that the charity can continue as a going concern both throughout the next twelve months and the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

---

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

**1.4 Incoming resources**

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable except insofar as they are incapable of financial measurement. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Rental income, income from the sale of resources, investment income and income from charitable activities is included in the year in which it is receivable.

Turnover from Hope Centre Limited activities represents amounts receivable for goods and services net of VAT.

**1.5 Resources expended**

Resources expended are recognised in the year in which they are incurred.

Charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes grants made to projects, costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Costs of generating funds relate to costs incurred by trading subsidiaries.

Grant expenditure is included based on the date that individual projects' expenditure has been incurred, rather than the date that the grants are defrayed to the projects.

Governance costs included those costs associated with meeting constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource, and include irrecoverable VAT.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	-	2% straight line
Leasehold buildings	-	2%/ 33% straight line
Fixtures, fittings and equipment	-	20% straight line

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

---

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Fixed assets costing less than £500 are not capitalised.

**1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.8 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.9 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost.

**1.10 Leasing and hire purchase commitments**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**1.11 Pensions**

The charity operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**1.12 Basis of consolidation**

The financial statements consolidate the accounts of C3 Trust UK and all of its subsidiary undertakings ('subsidiaries').

**1.13 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities.

**1.14 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

---

present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortisation cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.15 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Valuation of land and buildings**

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are as follows.

The charity has revalued its land and buildings and depreciated from each revaluation. The trustees will ensure that valuations will be made regularly and will review the values of the land and buildings shown in the accounts each year to make a judgement as to whether any evidence exists that their values are materially different to the values in the financial statements. This may take into account the state of the fabric of the buildings and the conditions in the market for the types of property owned.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 3 Donations and gifts

	<b>Group</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2023</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and gifts	1,158,185	43,567	1,201,752	1,109,159	109,467	1,218,626
Grants	-	30,000	30,000	2,405	30,000	32,405
Coronavirus Job Retention Scheme	-	-	-	3,140	-	3,140
	<u>1,158,185</u>	<u>73,567</u>	<u>1,231,752</u>	<u>1,114,704</u>	<u>139,467</u>	<u>1,254,171</u>

	<b>Charity</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2023</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and gifts	1,130,796	-	1,130,796	1,076,165	-	1,076,165
Grants	-	30,000	30,000	-	30,000	30,000
	<u>1,130,796</u>	<u>30,000</u>	<u>1,160,796</u>	<u>1,076,165</u>	<u>30,000</u>	<u>1,106,165</u>

#### 4 Charitable activities

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sales within charitable activities	320,647	312,294	1,608	2,938
Charitable rental income, recharges and other income	<u>9,349</u>	<u>26,136</u>	<u>31,988</u>	<u>73,651</u>
	<u>329,996</u>	<u>338,430</u>	<u>33,596</u>	<u>76,589</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 5 Other trading activities

	Group	
	2023	2022
	£	£
Hope Centre Limited	65,584	51,082
Sales of books and resources	<u>1,506</u>	<u>598</u>
	<u>67,090</u>	<u>51,680</u>

	Charity	
	2023	2022
	£	£
Sales of books and resources	<u>1,506</u>	<u>598</u>

#### 6 Investments

	Group					
	Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds	Total 2022
	£	£	£	£	£	£
Interest receivable	<u>1,611</u>	<u>-</u>	<u>1,611</u>	<u>818</u>	<u>-</u>	<u>818</u>

	Charity					
	Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds	Total 2022
	£	£	£	£	£	£
Interest receivable	<u>1,611</u>	<u>-</u>	<u>1,611</u>	<u>818</u>	<u>-</u>	<u>818</u>

#### 7 Other income

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Sundry income	<u>-</u>	<u>62,866</u>	<u>-</u>	<u>62,866</u>
	<u>-</u>	<u>62,866</u>	<u>-</u>	<u>62,866</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 8 Raising funds

	<b>Group</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2023</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2022</b>
	£	£	£	£	£	£
<u>Fundraising and publicity</u>						
Staging fundraising events	<u>20,216</u>	-	<u>20,216</u>	<u>15,150</u>	-	<u>15,150</u>
	<u>20,216</u>	-	<u>20,216</u>	<u>15,150</u>	-	<u>15,150</u>
<u>Trading costs</u>						
Other trading activities	<u>80,066</u>	<u>1,929</u>	<u>81,995</u>	<u>49,175</u>	<u>2,027</u>	<u>51,202</u>
	<u>100,282</u>	<u>1,929</u>	<u>102,211</u>	<u>64,325</u>	<u>2,027</u>	<u>66,352</u>

Raising funds include payments to the auditors of £2,075 (2022: £1,700) for services not connected to the charity and consolidated group accounts.

	<b>Charity</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2023</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2022</b>
	£	£	£	£	£	£
<u>Fundraising and publicity</u>						
Staging fundraising events	<u>20,216</u>	-	<u>20,216</u>	<u>15,150</u>	-	<u>15,150</u>
	<u>20,216</u>	-	<u>20,216</u>	<u>15,150</u>	-	<u>15,150</u>
<u>Trading costs</u>						
Other trading activities	<u>349</u>	-	<u>349</u>	<u>71</u>	-	<u>71</u>
	<u>20,565</u>	-	<u>20,565</u>	<u>15,221</u>	-	<u>15,221</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 9 Charitable activities

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Staff costs	803,087	851,755	506,937	504,885
Depreciation and impairment	72,896	122,620	72,087	121,532
Church departments and events	14,392	34,939	14,392	34,939
Hospitality and gifts	32,157	17,820	32,157	17,820
Rent, rates, and service charges	180,429	135,791	168,676	124,600
Insurance and utilities	73,918	75,195	71,698	72,526
Repairs and cleaning	312,421	150,820	308,017	143,510
Hire of office equipment	15,791	17,047	15,533	10,068
Subscriptions	39,212	34,801	39,090	34,665
Postage, stationery and adverts	9,480	14,452	6,408	7,381
Telephone and fax	3,642	4,957	2,522	2,506
Motor and travel expenses	23,688	8,515	23,688	8,515
Bad and doubtful debts	4,466	(104)	-	-
Legal, professional and consultancy fees	116,219	120,571	101,702	106,163
Staff recruitment and training	2,161	1,216	-	-
General expenses	96,257	92,438	87,903	77,313
Bank interest and charges	30,040	17,454	25,139	12,642
Loss on disposal of tangible fixed assets	-	25,933	-	25,933
	1,830,256	1,726,220	1,475,949	1,304,998
Grant funding of activities (see note 10)	-	39,879	-	39,879
Share of governance costs (see note 11)	5,550	4,480	5,000	4,000
	<u>1,835,806</u>	<u>1,770,579</u>	<u>1,480,949</u>	<u>1,348,877</u>
<b>Analysis by fund</b>				
Unrestricted funds	1,692,075	1,626,167	1,381,195	1,314,006
Restricted funds	<u>143,731</u>	<u>144,412</u>	<u>99,754</u>	<u>34,871</u>
	<u>1,835,806</u>	<u>1,770,579</u>	<u>1,480,949</u>	<u>1,348,877</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 10 Grants payable

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Grants to institutions	-	39,879
Grants to individuals	<u>-</u>	<u>-</u>
	<u>-</u>	<u>39,879</u>

A grant of £nil (2022 £32,153) was paid to Hope City Accra and £nil (2022 £7,726) to Hope City Kuala Lumpur on leaving the C3 Trust UK group in 2022.

	<b>Charity</b>	
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Grants to institutions	-	39,879
Grants to individuals	<u>-</u>	<u>-</u>
	<u>-</u>	<u>39,879</u>

#### 11 Support costs

	<b>Group and Charity</b>					
	<b>Support costs</b>	<b>Governance costs</b>	<b>2023</b>	<b>Support costs</b>	<b>Governance costs</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Audit fees	<u>-</u>	<u>5,550</u>	<u>5,550</u>	<u>-</u>	<u>4,480</u>	<u>4,480</u>
	<u>-</u>	<u>5,550</u>	<u>5,550</u>	<u>-</u>	<u>4,480</u>	<u>4,480</u>
Analysed between Charitable activities	<u>-</u>	<u>5,550</u>	<u>5,550</u>	<u>-</u>	<u>4,480</u>	<u>4,480</u>

#### **Group**

Governance costs includes payments to the auditors of £5,550 (2022: £4,480) for audit fees. Charitable activities costs includes payments of £8,130 (2022: £8,800) to the auditors for other services.

#### **Charity**

Governance costs includes payments to the auditors of £5,000 (2022: £4,000) for audit fees. Charitable activities costs includes payments of £5,800 (2022: £5,000) to the auditors for other services.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

#### 12 Trustees

C Davies received emoluments of £39,859 (2022: £19,489) and pension contributions of £2,550 (2022: £2,550) during the year. A company owned and controlled by C Davies and his wife received £7,387 (2022: £26,090) for providing payroll and consultancy services to the charity. They received £8,751 (2022: £28,301) for providing payroll and consultancy services to the group. C Davies and his wife made donations totaling £12,555 (2022: £6,920) to the church with donations being made personally by both of them and also making donations from their business.

None of the other trustees received emoluments or benefits during the year (2022: £nil).

The church's constitution expressly permits trustees to be remunerated provided certain conditions are met.

#### 13 Employees

##### Number of employees

The average number of employees during the year was:

	Group		Charity	
	2023 Number	2022 Number	2023 Number	2022 Number
Trustees of C3 Trust UK	6	6	6	6
Trustees / directors of subsidiaries	6	3	-	-
Employees	<u>53</u>	<u>53</u>	<u>24</u>	<u>28</u>
	<u>65</u>	<u>62</u>	<u>30</u>	<u>34</u>



## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 15 Tangible fixed assets

	Group		Total £
	Long leasehold property £	Fixtures fittings & equipment £	
<b>Cost</b>			
At 1 April 2022	1,953,180	803,491	2,756,671
Additions at cost	-	59,858	59,858
Revaluation	<u>(175,000)</u>	<u>-</u>	<u>(175,000)</u>
At 31 March 2023	<u>1,778,180</u>	<u>863,349</u>	<u>2,641,529</u>
<b>Depreciation and impairment</b>			
At 1 April 2022	296,026	760,345	1,056,371
Charge for the year	48,076	24,820	72,896
Revaluation	<u>(175,850)</u>	<u>-</u>	<u>(175,850)</u>
At 31 March 2023	<u>168,252</u>	<u>785,165</u>	<u>953,417</u>
<b>Carrying amount</b>			
At 31 March 2023	<u>1,609,928</u>	<u>78,184</u>	<u>1,688,112</u>
At 31 March 2022	<u>1,657,154</u>	<u>43,146</u>	<u>1,700,300</u>
	Charity		
	Long leasehold property £	Fixtures fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2022	1,953,180	741,803	2,694,983
Additions at cost	-	59,858	59,858
Revaluation	<u>(175,000)</u>	<u>-</u>	<u>(175,000)</u>
At 31 March 2023	<u>1,778,180</u>	<u>801,661</u>	<u>2,579,841</u>
<b>Depreciation and impairment</b>			
At 1 April 2022	296,026	700,465	996,491
Charge for the year	48,076	24,011	72,087
Revaluation	<u>(175,850)</u>	<u>-</u>	<u>(175,850)</u>
At 31 March 2023	<u>168,252</u>	<u>724,476</u>	<u>892,728</u>
<b>Carrying amount</b>			
At 31 March 2023	<u>1,609,928</u>	<u>77,185</u>	<u>1,687,113</u>
At 31 March 2022	<u>1,657,154</u>	<u>41,338</u>	<u>1,698,492</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 15 Tangible fixed assets (continued)

Some of the church's leasehold land and buildings were externally revalued at £1,300,000 at their open market value in March 2023 by White & Co, Chartered Surveyors. Improvements to leasehold premises with a net book value of £19,459 are included within the fixed assets of Hope Community Foundation (a charitable company controlled by C3 Trust UK) which has a sublease on part of the premises. The trustees are of the opinion that the value at 31 March 2023 would not differ significantly from this valuation.

#### Group

Some of the charity's leasehold and freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2023 amounting to 52% (2022: 55%) of their net book value as stated in these accounts.

#### Charity

Some of the charity's leasehold and freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2023 amounting to 52% (2022: 55%) of their net book value as stated in these accounts.

#### Comparable historical cost for the land and buildings included at valuation:

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Cost	1,517,030	1,517,030	1,401,120	1,401,120
Accumulated depreciation	<u>687,162</u>	<u>654,365</u>	<u>590,711</u>	<u>562,702</u>
At 31 March 2023	<u>829,868</u>	<u>862,665</u>	<u>810,409</u>	<u>838,418</u>

All other tangible fixed assets are stated at historical cost.

#### 16 Stocks

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Goods for resale	<u>150</u>	<u>150</u>	<u>100</u>	<u>100</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 17 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	15,398	10,180	2,716	2,302
Amounts due from subsidiary undertakings	-	-	10,478	16,461
Other debtors	49,085	37,892	49,085	26,259
Prepayments and accrued income	<u>2,860</u>	<u>5,334</u>	<u>2,860</u>	<u>5,334</u>
	<u>67,343</u>	<u>53,406</u>	<u>65,139</u>	<u>50,356</u>

#### 18 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loans and overdrafts	68,749	66,993	53,716	54,049
Obligations under finance leases	6,250	-	6,250	-
Trade creditors	34,815	16,640	31,068	14,985
Taxation and social security	11,133	-	8,365	587
Other creditors	26,540	32,964	18,034	16,070
Accruals	<u>24,735</u>	<u>15,314</u>	<u>20,705</u>	<u>13,802</u>
	<u>172,222</u>	<u>131,911</u>	<u>138,138</u>	<u>99,493</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 19 Creditors: amounts falling due after more than one year

	Group	
	2023	2022
	£	£
Mortgage and hire purchase	<u>681,819</u>	<u>719,245</u>
<b>Analysis of mortgage and loan</b>		
Not wholly repayable within five years by instalments	395,454	446,859
Wholly repayable within five years	<u>354,663</u>	<u>330,602</u>
	750,117	777,461
Included in current liabilities	<u>(68,298)</u>	<u>(58,216)</u>
	<u>681,819</u>	<u>719,245</u>
<b>Loan maturity analysis</b>		
Debt due in one year or less	68,298	58,216
In more than one year but not more than two years	69,985	63,398
In more than two years but not more than five years	216,380	208,988
In more than five years	<u>395,454</u>	<u>446,859</u>
	<u>750,117</u>	<u>777,461</u>

The mortgages are secured by first legal charges over the group's freehold and leasehold land and buildings.

	Charity	
	2023	2022
	£	£
Mortgage and hire purchase	<u>645,147</u>	<u>673,412</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments	395,454	446,859
Wholly repayable within five years	<u>309,658</u>	<u>280,602</u>
	705,112	727,461
Included in current liabilities	<u>(59,965)</u>	<u>(54,049)</u>
	<u>645,147</u>	<u>673,412</u>
<b>Loan maturity analysis,</b>		
Debt due in one year or less	59,965	54,049
In more than one year but not more than two years	61,652	55,065
In more than two years but not more than five years	188,041	171,488
In more than five years	<u>395,454</u>	<u>446,859</u>
	<u>705,112</u>	<u>727,461</u>

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

#### 20 Finance lease commitments

	Group and Charity	
	2023	2022
	£	£
Payable within one year	6,250	6,250
Payable after one year	<u>17,187</u>	<u>17,187</u>
	<u>23,437</u>	<u>23,437</u>

#### 21 Pension and other post-retirement benefit commitments

##### Defined contribution

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Contributions payable by the group and charity for the year	<u>27,937</u>	<u>28,210</u>	<u>14,775</u>	<u>15,285</u>

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the fund.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	<b>Group Movement in funds</b>								
	<b>Balance at 1 April 2021</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2022</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2023 £</b>
Dream Offering	465,555	-	(34,871)	-	430,684	-	(39,754)	(390,930)	-
Garfield Weston Foundation	-	30,000	-	-	30,000	-	(30,000)	-	-
Bernard Sunley Foundation	-	-	-	-	-	30,000	(30,000)	-	-
Henry Smith Charity	9,787	33,100	(38,957)	-	3,930	33,550	(31,370)	-	6,109
Hope Hampers	1,792	2,493	(947)	-	3,338	-	(530)	-	2,808
Neon Schools Programme	4,629	37	-	-	4,666	-	(4,653)	-	14
Befriending/ Jigsaw Services	3,000	-	(1,681)	-	1,319	102	(1,125)	-	296
Kickstart	-	70,465	(68,415)	-	2,050	7,815	(6,987)	(2,878)	-
Pola Dot Playgroup	-	500	(560)	60	-	500	(890)	390	-
Share the Light	-	2,872	(1,008)	-	1,864	975	-	-	2,839
Pathways	-	-	-	-	-	<u>625</u>	<u>(352)</u>	<u>-</u>	<u>273</u>
	<u>484,763</u>	<u>139,467</u>	<u>(146,439)</u>	<u>60</u>	<u>477,851</u>	<u>73,567</u>	<u>(145,661)</u>	<u>(393,418)</u>	<u>12,339</u>

**C3 TRUST UK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

	<b>Charity Movement in funds</b>								
	<b>Balance at 1 April 2021</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2022 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2023 £</b>
Dream Offering	465,555	-	(34,871)	-	430,684	-	(39,754)	(390,930)	-
Garfield Weston Foundation	-	30,000	-	-	30,000	-	(30,000)	-	-
Bernard Sunley Foundation	-	-	-	-	-	<u>30,000</u>	<u>(30,000)</u>	-	-
	<u>465,555</u>	<u>30,000</u>	<u>(34,871)</u>	<u>-</u>	<u>460,684</u>	<u>30,000</u>	<u>(99,754)</u>	<u>(390,930)</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**22 Restricted funds (continued)**

Funds previously raised under the Dream Offering for the Waverley project in Sheffield have now been successfully repurposed as part of a Special Scheme which was approved by the Charity Commission in 2022. This means that the remaining funds can be used to invest into the Hope Centre in Sheffield and committed in full after 07 April 2023. This capital work will be considerable and ongoing, but has started with essential repairs to the roof and brickwork. Initial work has been part funded by external funders such as Garfield Weston Foundation, Bernard Sunley Foundation and All Churches Trust (now Benefact Trust). A fundraising strategy is currently being developed to leverage additional external funding, with remaining funds being deployed to cover the extensive works required to maintain and, in some areas, redevelop the building.

The charity has received its final instalment of a three year grant from the Henry Smith Charity. The grant has been awarded to assist with capacity building or projects and to strengthen the role of volunteering in the charity and has funded a Volunteer Coordinator for the whole of the period of the funding.

Various funders contributed to our efforts to tackle the immediate impact of COVID-19 and the cost of living crisis by providing emergency food provision through our Hope Hampers to those affected either directly or indirectly.

In order to contribute to a planned project working with young people in schools, funds were raised largely through Aviva Community Fund to the Neon Schools Programme. This project has continued during the year with one person employed for one day a week.

Jigsaw services are now providing two weekly sessions for over 55s. In the last year 894 attendees have participated in Jigsaw activities.

Kickstart provides work placements for young people. This project has completed during the year.

Polka Dots Playgroup has delivered weekly sessions during term time. In the last year 471 attendees have participated in Polka Dots activities.

Pathways is a listening and signposting process designed to enable us to meet the multiple needs of our service users. It recognises that people connect with us often and mostly at a single point of need but meeting that need doesn't necessarily provide that person with the full support they need to help them to move forward in life. The signposting process helps to identify other needs and connect people with other services which they may find useful as well as providing them with an opportunity to connect with one of our chaplaincy team from the church if they so wish who can provide them with pastoral support.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 23 Analysis of net assets between funds

	Unrestricted funds		Restricted funds		Group		Total
	2023	2023	2023	2022	2022	2022	
	£	£	£	£	£	£	
Fund balances at 31 March 2023 are represented by:							
Tangible assets	1,688,112	-	1,688,112	1,700,300	-	1,700,300	
Current assets/(liabilities)	215,691	12,339	218,830	82,135	477,851	559,986	
Long term liabilities	(681,819)	-	(681,819)	(719,245)	-	(719,245)	
	<u>1,221,984</u>	<u>12,339</u>	<u>1,234,323</u>	<u>1,063,190</u>	<u>477,851</u>	<u>1,541,041</u>	

	Unrestricted funds		Restricted funds		Group		Total
	2023	2023	2023	2022	2022	2022	
	£	£	£	£	£	£	
Unrealised gains included above:							
On tangible fixed assets	<u>315,956</u>	-	<u>315,956</u>	<u>315,106</u>	-	<u>315,106</u>	
	<u>315,956</u>	-	<u>315,956</u>	<u>315,106</u>	-	<u>315,106</u>	
Reconciliation of movements in unrealised gains:							
Unrealised gains at 1 April 2022	315,106	-	315,106	359,525	-	359,525	
Revalued element of fixed assets sold during period	-	-	-	(44,419)	-	(44,419)	
Revaluation of tangible fixed asset	<u>850</u>	-	<u>850</u>	-	-	-	
Unrealised gains at 31 March 2023	<u>315,956</u>	-	<u>315,956</u>	<u>315,106</u>	-	<u>315,106</u>	

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 23 Analysis of net assets between funds (continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Charity			Total 2022 £
			Total 2023 £	Unrestricted	Restricted	
				funds 2022 £	funds 2022 £	
Fund balances at 31 March 2023 are represented by:						
Tangible assets	1,687,113	-	1,687,113	1,698,492	-	1,698,492
Current assets/(liabilities)	224,040	-	224,040	89,897	460,684	550,581
Long term liabilities	<u>(645,147)</u>	<u>-</u>	<u>(645,147)</u>	<u>(673,412)</u>	<u>-</u>	<u>(673,412)</u>
	<u>1,266,006</u>	<u>-</u>	<u>1,266,006</u>	<u>1,114,977</u>	<u>460,684</u>	<u>1,575,661</u>

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Charity		Total 2022 £
				Unrestricted	Restricted	
				funds 2022 £	funds 2022 £	
Unrealised gains included above:						
On tangible fixed assets	<u>419,964</u>	<u>-</u>	<u>419,964</u>	<u>419,114</u>	<u>-</u>	<u>419,114</u>
	<u>419,964</u>	<u>-</u>	<u>419,964</u>	<u>419,114</u>	<u>-</u>	<u>419,114</u>
Reconciliation of movements in unrealised gains:						
Unrealised gains at 1 April 2022	419,114	-	419,114	463,533	-	463,533
Revalued element of fixed assets sold during period	-	-	-	(44,419)	-	(44,419)
Revaluation of tangible fixed asset	<u>850</u>	<u>-</u>	<u>850</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unrealised gains at 31 March 2023	<u>419,964</u>	<u>-</u>	<u>419,964</u>	<u>419,114</u>	<u>-</u>	<u>419,114</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 24 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Within one year	107,856	106,606	107,856	106,606
Between two and five years	238,767	296,122	238,767	296,122
In over five years	<u>55,500</u>	<u>111,000</u>	<u>55,500</u>	<u>111,000</u>
	<u>402,123</u>	<u>513,728</u>	<u>402,123</u>	<u>513,728</u>

#### Capital commitments

The group and charity had no capital commitments at 31 March 2023.

#### 25 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel, none of whom were trustees, is as follows.

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Aggregate compensation	<u>-</u>	<u>11,893</u>	<u>-</u>	<u>-</u>

The trustees review payments made to employees in similar managerial positions in other churches and similar organisations when considering the levels of pay for key managers. The trustees also take into consideration the ability of the charitable company to be able to pay such salaries.

#### 26 Subsidiaries

These financial statements are separate company financial statements for C3 Trust UK.

The charity has control of 100% of the assets and trade of **Hope Community Foundation** a charitable company limited by guarantee. The company operates as a children's nursery on church premises utilising assets purchased by the charity and carries out other community based activities. Hope Community Foundation became a registered charity in March 2004 (charity number 1102542). At the year-end Hope Community Foundation had net liabilities of £-6,282 (2022: £8,045 net assets). During the year ended 31 March 2023 its total incoming resources were £389,996 (2022: £457,361) and its total resources expended were £404,323 (2022: £465,478) leaving a net decrease in funds of £14,327 (2022: £8,117).

C3 Trust UK owns 100% of the ordinary share capital of **Hope Centre Limited** a trading company which generates funds for the church. Hope Centre Limited began trading on 1 April 2003, it operates from church premises and its principal activity is the letting of conference facilities and running a children's play area and café. At 31 March 2023 the net liabilities of Hope Centre were £608,006 (2022: £614,175). Its turnover for the year ended 31 March 2023 was £70,627 (2022: £51,082) and its total resources expended were £64,458 (2022: £59,669) leaving a profit for the year of £6,169 (2022: loss of £8,587).

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 27 Cash generated from operations

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Surplus/(deficit) for the year	(307,568)	(128,966)	(310,505)	(127,562)
Adjustments for:				
Investment income recognised in statement of financial activities	(1,611)	(818)	(1,611)	(818)
Loss/(gain) on disposal of tangible fixed assets	-	25,933	-	25,933
Depreciation and impairment of tangible fixed assets	72,896	122,620	72,087	121,532
Movements in working capital:				
Decrease/(increase) in debtors	(13,936)	(1,868)	(14,786)	(5,337)
(Decrease)/increase in creditors	30,227	(181,768)	32,729	(167,618)
Increase/(decrease) in deferred income	-	-	-	(10,238)
<b>Cash generated from/(absorbed by) operations</b>	<b>(219,992)</b>	<b>(164,867)</b>	<b>(222,086)</b>	<b>(164,108)</b>

#### 28 Analysis of changes in net (debt)/funds

	At 1 April 2022	Group		At 31 March 2023
		Cash flows £	New finance leases £	
Cash at bank and in hand	638,341	(305,582)	-	332,759
Loans falling due within one year	(58,215)	(3,834)	-	(62,049)
Loans falling due after more than one year	(719,245)	37,426	-	(681,819)
Obligations under finance leases	-	1,562	(24,999)	(23,437)
	<u>(139,119)</u>	<u>(270,428)</u>	<u>(24,999)</u>	<u>(434,546)</u>
	At 1 April 2022	Charity		At 31 March 2023
		Cash flows £	New finance leases £	
Cash at bank and in hand	599,618	(302,680)	-	296,938
Loans falling due within one year	(54,049)	333	-	(53,716)
Loans falling due after more than one year	(673,412)	45,451	-	(627,961)
Obligations under finance leases	-	1,562	(24,999)	(23,437)
	<u>(127,843)</u>	<u>(255,334)</u>	<u>(24,999)</u>	<u>(408,176)</u>

**C3 TRUST UK**

England & Wales - Charity number 1119791

---

# Accounts

---

CHARITY REGISTRATION NUMBER 1119791  
COMPANY REGISTRATION NUMBER 5999100

**C3 TRUST UK**  
**GROUP ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

## C3 TRUST UK

### LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	C Davies P Benger C W Davies O Olarinde M Muthiah (Appointed 19 August 2021) J Hemmingfield (Appointed 19 August 2021)
<b>Secretary</b>	A E Ibbotson
<b>Charity number</b>	1119791
<b>Company number</b>	5999100
<b>Principal address</b>	The Megacentre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Registered office</b>	The Megacentre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Auditors</b>	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield South Yorkshire S8 0XF
<b>Bankers</b>	Barclays Bank plc City Office Sheffield S1 1NG
<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR

## C3 TRUST UK

### CONTENTS

---

	<b>Page</b>
Trustees' report	1 – 8
Statement of trustees' responsibilities	9
Independent auditors' report	10 – 13
Consolidated statement of financial activities	14 – 15
Statement of financial activities	16 – 17
Consolidated balance sheet	18
Balance sheet	19
Statement of cash flows	20
Notes to the accounts	21 – 43

# **C3 TRUST UK**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2022**

---

The Trustees present their report and consolidated accounts for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 "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**

The Articles of Association restrict the objectives of the Church to:

- a) advance the Christian faith in accordance with the Statement in such way 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 may think fit; and
- c) to advance education in such parts of the United Kingdom or the world as the directors from time to time may think fit.

Under the broad objects of the charity, each church belonging to C3 Trust UK has been granted the autonomy, under a formal and agreed 'Scheme of Delegation', to define a vision for their local church which reflects their aspirations for their location and their church community. In this year all churches have continued to operate under the terms of the scheme of delegation and work within the wider structure of the Executive Board reporting to the Board of Trustees through the Chief Executive.

All other charitable activities undertaken by the Church are to further the attainment of the above objectives.

The trustees have paid due regard to the guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

##### **C3 Trust UK Churches**

In the past year we have continued to see the steady recovery of churches following the COVID-19 pandemic and the charity's own internal challenges which took place in 2020. There has been a firm and concerted focus across our churches towards a better future. This has been universally embraced by all churches although the experiences of each church has been very unique to their own location, situation, church membership and leadership.

Being strongly networked across other churches which are part of the C3 Global network of churches, we have been able to see how our journey has reflected that of other churches. In many ways, we believe that the events of 2020 placed our churches at an advantage in addressing some of the underlying aspects of church strategy, culture and design which have affected other churches across the western world in the past two years.

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2022

---

As part of our response to the events of 2020 the charity compiled an action plan to address key areas of leadership culture. This action plan created in 2021 has continued to feature not only in cultural change and leadership development but in the policy infrastructure which underpins cultural formation. The longer-term strategy of moving from autonomy to church independence remains a key part of the focus moving forward. To this end, the trustees commissioned an external consultant to provide objective feedback and to help us establish a road map of independence. Trustees throughout this time, have remained in favour of the overall strategy, but have also been keen to discharge their fiduciary duties effectively, as trustees, to ensure that this change process is navigated step by step, at each stage managing and minimising the risks associated with change.

As part of the response to the need to further strengthen the board of trustees and continue to focus on strength of governance, two additional trustees were recruited to the board of trustees in 2021, both of which now play a valuable and active role in the work of the charity.

At local church level the charity currently houses the five remaining churches mentioned below with C3 YRKS having Lead Pastors for both Leeds and York congregations. The work of the local churches is led by each of the Lead Pastors for each church. Each church then has its own local leadership which acts primarily to ensure that the local vision of the church is advanced, whilst recognising the connection and interdependence that remains across all of the churches which form part of C3 Trust UK.

Across all churches our current estimate is that we remain at approximately 2,100 members as at 31 March 2022. By the end of November 2022 this has risen slightly to approximately 2,450 showing a slight upturn or trend in membership overall. Not unlike the previous year, these figures have been difficult to qualify given the gradual and punctuated movement away from exclusively online church back to 'in-person' church services.

#### Church Membership (as per database)

Church Name	31/03/22	30/11/22	Average attendance in person
C3 Hope (Sheffield)	1600	1900	291
C3 YRKS (Leeds & York)	190	230	82
C3 Liverpool	130	100	55
C3 Newcastle	120	150	75
C3 Sunderland	49	65	20
<b>TOTALS</b>	<b>2089</b>	<b>2445</b>	<b>523</b>

C3 Hope, being by far the largest church numerically, has seen the most significant growth, although a census in 2023 will help to quantify the church membership more accurately. Current Sunday church attendance in Sheffield is approximately 500 people (including children and young people) as of December 2022.

Across all our churches there are more than 300 volunteers involved in serving and leading.

The journey for all our churches remains one of rebuilding both from the effects of COVID-19 and the internal challenges of 2020. All churches and their Lead Pastors have focused on rebuilding a strong and renewed sense of trust, a new culture and vision for the future, assembling and growing new teams, engaging new church members, enabling a greater level of transparency, managing financial risk, and creating a fresh momentum. At the same time, churches are establishing their respective pathways to independence as separate legal entities.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

---

The progress against all of these areas and others has been on the whole positive although not without challenges, many of which remain factors which trustees remain actively involved in helping to support and bring solutions to.

In addition, buildings or premises have represented a significant challenge for churches. For some it has been the absence of premises which has stifled recovery. For others, having a building, to which they are committed under a lease agreement, has presented significant challenge. Still for others, buildings represent both opportunity and risk at the same time.

Churches and church leaders have much to celebrate in the reformation and regathering of their congregations post-pandemic. The continued commitment to serving communities has been encouraging to see, with the churches continuing where they can to undertake outreach and social action projects commensurate with their capacity to undertake these activities. C3 Hope and C3 YRKS have operated substantial social action projects whilst other churches have run regular or seasonal projects provide much needed support to local families and continue to develop local partnerships to support local action.

The relaunch and resurgence of small groups across the churches, as a foundational component of discipleship, has again been a sign of progress in rebuilding of church. One of the fundamental shifts in emphasis has been the renewed focus on one of the key tenets of the Christian faith, that of not only being disciples but making disciples. A concerted effort to strengthen and grow small groups has been foundational in the formation of church family and community, pastoral care and discipleship.

The movement towards a new culture, and hence new way of workings, has been a significant achievement. Not only is there a clear commitment to creating healthy church culture, but a deeper understanding of, and commitment to, the good practice that comprises organisational effectiveness. There is a clearer recognition that good strategy, planning, communication, management and learning and development are all integral and essential elements which underpin the vision and values of the local church. This has led to stronger teams, greater empathy, more informed decision-making, more robust dialogue, moderation of pace and greater clarity around priorities and focus.

Trustees remain hopeful that the considerable amount of hard work and prayer which has been invested into change will continue to bear fruit across all of our churches.

#### **C3 Trust UK Property**

The Sheffield based Hope Centre, is a 54,000 ft<sup>2</sup> building which is the home of C3 Hope and comprises a large auditorium and overflow facility ('The Forge' with seating capacity for over 150 people) as well as varied and extensive conferencing and training rooms, lettable and dedicated office space, a community hub and café. In the financial year to which these accounts relate, the use of the building for conferencing continued to perform better than expected and a development plan is currently being revised to capitalise on this opportunity to fundraise for the charity using the physical asset.

We will continue to focus on the building housing a mixture of church, community and commercial activities designed to deliver church health and growth, social value and longer-term financial sustainability for the building and the church.

Despite recent challenges largely brought on by the global pandemic, the building has continued to provide a means to deliver a number of much needed community projects. These have included our partnership with The Message Trust, a Christian Charity based in the Northwest of England whose objects are closely aligned with those of C3 Trust UK. The Foundation Community Grocery with more than 1300 members, provides affordable food for local people in need. This partnership creates social value amongst areas that experience acute deprivation and disadvantage.

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2022

---

Funds previously raised for the Waverley project in Sheffield have now been successfully repurposed as part of a Special Scheme which was approved by the Charity Commission in 2022. This means that remaining funds can be used to invest into the Hope Centre in Sheffield and committed in full after the 07 April 2023. This capital work will be considerable and ongoing but has started with essential repairs to the roof and some repairs to brickwork. Initial work has been part funded by external funders such as Garfield Weston Foundation, Bernard Sunley Foundation and All Churches Trust (now Benefact Trust). A fundraising strategy is currently being developed to leverage additional external funding, with remaining funds being deployed to cover the extensive works required to maintain and, in some areas, redevelop the building.

During this financial year, C3 Newcastle and C3 Liverpool have continued to service leases on properties which they have adapted to one extent or another to meet the needs of the church. These leases continue to represent a significant ongoing cost and overhead to these local churches. In the case of the C3 Liverpool premises on Kempston Street, Liverpool, the loss of the sole tenant in their building has continued to represent a challenge to C3 Liverpool. Support is being provided to the church in lieu of consideration and qualification of the charity's options moving forward.

#### **Annual Giving**

From April 2021, most churches have continued to supplement regular giving with an additional annual one-off offering in the form of a 'Vision Builders' or 'Heart for the House' appeal. This separate offering varies with each church, but continues to mostly cover building and venue costs, local missions, and ministries as well as funding other usual and general local church activities. The funds raised from these campaigns is unrestricted but designated to operational running costs for the most part and at present forms part of the income required to cover the operating costs of the respective church.

For each annual campaign the giving consists of one-off donations, standing orders and financial pledges which are redeemed during the months following the initial commitment.

#### **Staffing**

As of December 2022, gross monthly pay on salaries for C3 Trust UK was £39,438 for 25 people working on either a full time or part time basis.

Salary bands brought into effect in 2020-21 financial year are continuing to provide a framework and guidance for recruitment and selection and salary reviews and trustees continue to give sensitive consideration to making every effort to manage pressure on real time salaries arising from the cost of living crisis. Trustees have made a number of improvements to staff terms and conditions including additional leave and sickness entitlement.

#### **Subsidiary and other controlled companies**

The achievements and performance of the church's subsidiaries and other controlled companies for the year ended 31 March 2022 were as follows:

- Hope Centre Limited through its trading activities suffered a loss of £8,587 (2021: £24,966). Closing shareholders' funds were in deficit at £614,175 (2021: £605,588). Hope Centre Limited is a limited company incorporated in England and Wales and C3 Trust UK owns 100% of the share capital. The nature of its business is the provision of conference facilities, running a café and a children's play area.
- Hope Community Foundation made a deficit of £8,117 (2021: £913) this year. Closing funds were £8,045 (2021: £16,162) of which £17,107 (2021: £19,208) were restricted and £(9,062) (2021: £(3,046)) were unrestricted. Hope Community Foundation is a charitable company registered in England and Wales. C3 Trust UK is able to appoint and remove the trustees of this charitable company and the nature of its business is the provision of nursery education and care.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

---

##### **Financial review**

The trustees make strategic decisions based on the financial position of the church by reference to the financial information (i.e. budgets, cash flows) provided to them. They do not however carry out the routine day to day management of the church, for which the budget leader for each department is responsible.

The Statement of Financial Activities shows a net decrease in funds of £127,562 (2021: £110,457 increase). The church has general unrestricted reserves of £695,863 excluding the revaluation reserve, compared with £774,135 the previous year. The trustees have identified that the reserves are at a low level, representing more than 81% (including the revaluation reserve) of annual net resources expended (2021: 73%). This percentage is slightly higher than the previous year. The freely available unrestricted reserves were £89,897.

The Consolidated Statement of Financial Activities shows a net decrease in funds of £128,966 (2021: decrease in funds of £1,728,706). The group has general unrestricted reserves of £1,362,359 excluding the revaluation reserve, compared with £1,431,407 the previous year. The trustees have identified that the reserves are at a low level, representing more than 58% (including the revaluation reserve) of annual net resources expended (2021: 31%). The freely available unrestricted reserves were £82,134.

The financial results for the subsidiary entities are shown in note 26 to the accounts.

##### **Reserves**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained as a level equivalent to between three and six months expenditure. The trustees consider the reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

As of December 2022, C3 Trust UK has £84,418 held in a treasury account with Kingdom Bank. This is funds collected from the Waverley Dream Offering and has been kept for future restricted use. As previously mentioned, and having worked alongside the Charity Commission, the Trustees continue to progress with the re-evaluation and redistribution of this fund.

C3 Trust UK policy in general is to also work towards building three months' worth of cash reserves.

##### **Recent investments**

Given the more recent history and learning which has taken place across the Charity, significant attention and investment has been devoted to health and wellbeing and towards strengthening organisational infrastructure and cultural change. As well as supporting church leaders and many of their teams through their own journey the Charity has continued to invest in building and strengthening policy and procedure particularly as it related to the safeguarding of staff, volunteers, and the wider congregations.

Trustees remain committed to investing in change and improvement which will manage risk, promote shared values and healthy culture and provide a sound basis for the future for everyone who has found their home in our churches irrespective of the future structure of the Charity itself.

This is reflected specifically in an intentional and coordinated approach to role-related training and development with learning needs being identified systematically and a programme of training interventions being developed to meet those needs.

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2022

---

#### Goals and Developments

The goals of C3 Trust UK for the forthcoming 12-18 months are:

1. To continue to work towards legal independence for our churches with C3 Newcastle and C3 Sunderland separating from C3 Trust UK from 01 April 2023
2. To successfully navigate further organisational transition and restructure to ensure that all churches are independent from 01 April 2024 with C3 Trust UK focusing on the work of C3 Hope only.
3. To continue to support local churches in the meantime to build health and strength in support of their local vision and goals.
4. To continue to see an acceleration in the growth and recovery of local churches and in their respective social action projects and initiatives.

The goals represent clear intentionality both around continuing to further the core objectives of the charity, whilst at the same time transitioning churches from managed autonomy through legal independence.

#### Structure, Governance and Management

C3 Trust UK is a company limited by guarantee and a registered charity. The Company was incorporated on 15 November 2006 and commenced activities on 1 April 2007 when it took over the assets, liabilities and running of the Church. C3 Trust UK was formerly Hope City Church until its change of name was approved by Charity Commission on 23 September 2021.

The Trustees, who are also directors for the purpose of company law, and who served during the period are:

C Davies	
P Benger	
C W Davies	
O Olarinde	
J Greenow	(Resigned 7 May 2021)
A E Ibbotson	(Resigned 27 January 2022)
M Muthiah	(Appointed 19 August 2021)
J Hemmingfield	(Appointed 19 August 2021)

C3 Trust UK is a registered charity which governs a group of churches now exclusively in the UK as of April 2021. Each church has been affiliated with C3 Church Global since 2013 and all seek spiritual oversight from C3 whilst being accountable in charity and company terms to the trustees and directors of C3 Trust UK as an independent and autonomous organisation. Each church belonging to C3 Trust UK has its own local identity.

- C3 Hope – located in Sheffield and serving the Sheffield City Region
- C3 YRKS – located in Leeds and York and serving these cities and the surrounding area
- C3 Sunderland – located in Sunderland and serving this city and the surrounding area
- C3 Liverpool – located in Liverpool and serving this city and the surrounding area
- C3 Newcastle – located in Newcastle and serving this city and the surrounding area
- Hope City Kuala Lumpur – became independent in Malaysia 01 April 2021
- Hope City Frankfurt and Hope City Darmstadt – became independent in Germany 01 April 2021, now no longer involved with any UK oversight.
- C3 Hope City Accra – became independent in Ghana 01 April 2021
- C3 Reflect – located in London (released to form its own independent charity July 2021 – Charity Number 1194463)

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

---

C3 Global is a worldwide community of Christian churches that come together as one movement under the direction and leadership of C3 Church Global Directors and their Team.

In accordance with both the charity's governing documents and C3's recommendations, there are at least three Managing Trustees at any one time and Trustees who are not on the charity's payroll should be in the majority. None of the Trustees have any beneficial interest in the company. All the Trustees are also the Members of the company and guarantee to contribute £1 in the event of a dissolution or winding up. Following recent recommendations, when a Trustee vacancy occurs, potential candidates with the relevant experience, skill set, and expertise will be identified and discussed at Board meetings. Once this process has taken place, one of the Trustees will then approach the prospective candidate, with further due diligence taking place before any official appointment is made.

The trustees review payments made to employees in similar managerial positions in other churches and similar organisations when considering the levels of pay for key managers. The trustees also take into consideration the ability of the charitable company to be able to pay such salaries.

C3 Trust UK is a registered charity (number 1119791), and a company limited by guarantee (number 5999100).

Hope Centre Limited is a wholly owned trading subsidiary of C3 Trust UK and operates to both generate funds to resource the wider mission of C3 Trust UK and to deliver the non-primary purpose trading of the charity.

Hope Community Foundation, a company limited by guarantee with separate charitable objects and status is also connected with C3 Trust UK. With its primary focus of operation and area of benefit in Sheffield at the time of this report, it operates an Ofsted Registered Early Years Day Nursery on the Sheffield church premises (The Hope Centre) and a number of community projects intended to deliver the social mission of C3 Trust UK and more specifically its church in Sheffield, C3 Hope.

Hope Community Foundation has continued to deliver much needed services to the local community in Sheffield including through its community nursery, Little Ark Nursery & Pre-School and through a growing number of community projects which have continued to gain momentum in the last year. The addition of a Community Grocery in April 2021, partnering with The Message Trust (Charity Number 1081467) shortly followed by the launch of Hope Hampers Food Bank, partnering with the S6 Foodbank Network in Sheffield have both added significantly to the social impact delivered under the Foundation. Community projects such as Polka Dots Play Group and Jigsaw Café have helped the charity to build its support for young families and the elderly respectively. The donation-based Foundation Café, provides a vital and vibrant connection point from which the social value created through each project can be compounded for beneficiaries. Hope Community Foundation has continued to extend its scope and reach and now has over 80 regular volunteers supporting and enabling the work of the charity.

As a whole, the Trustees have identified and assessed the major risks to which C3 Trust UK is exposed and are satisfied that the mitigation and systems are in place to limit exposure to these risks. This forms part of other improvements made by Trustees to reflect the feedback gained from its internal investigation which was commissioned between June 2020 and February 2021.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

---

##### **Disclosure of Information to Auditors**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

On behalf of the Board of Trustees

**C Davies**

Trustee

Dated: 22 March 2023

## **C3 TRUST UK**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

---

The trustees, who are also the directors of C3 Trust UK for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK**

### **Opinion**

We have audited the financial statements of C3 Trust UK (the 'charitable company') for the year ended 31 March 2022 which comprise the consolidated Statement of Financial Activities, the parent Statement of Financial Activities, the consolidated Balance Sheet, the parent Balance Sheet, the consolidated Statement of Cash Flows, the parent Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of accounts section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusion relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year of which the accounts are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

### **Responsibilities of the trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors, enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK  
(CONTINUED)**

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of the Part 16 of the Companies Act 2006. Our audit work has been undertaken, so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Roland Givans (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

**22 March 2023**

**Chartered Accountants  
Statutory Auditor**

## C3 TRUST UK

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
<b><u>Income from:</u></b>							
Donations and gifts	3	1,114,704	139,467	1,254,171	1,323,936	285,950	1,609,886
Charitable activities	4	338,430	-	338,430	481,188	-	481,188
Other trading activities	5	51,680	-	51,680	25,810	-	25,810
Investments	6	818	-	818	2,374	-	2,374
Other income	7	<u>62,866</u>	<u>-</u>	<u>62,866</u>	<u>842</u>	<u>-</u>	<u>842</u>
<b>Total income</b>		<u>1,568,498</u>	<u>139,467</u>	<u>1,707,965</u>	<u>1,834,150</u>	<u>285,950</u>	<u>2,120,100</u>
<b><u>Expenditure on:</u></b>							
Raising funds	8	64,325	2,027	66,352	73,016	849	73,865
Charitable activities	9	1,626,167	144,412	1,770,579	1,681,647	229,900	1,911,547
Other	14	-	-	-	-	-	-
Grant paid to City Hearts (UK)		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,846,492</u>	<u>-</u>	<u>1,846,492</u>
<b>Total expenditure</b>		<u>1,690,492</u>	<u>146,439</u>	<u>1,836,931</u>	<u>3,601,155</u>	<u>230,749</u>	<u>3,831,904</u>
<b>Net incoming/(outgoing) resources before associated undertakings and transfers</b>		(121,994)	(6,972)	(128,966)	(1,767,005)	55,201	(1,711,804)
Gross transfers between funds		<u>(60)</u>	<u>60</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net incoming/(outgoing) resources</b>		(122,054)	(6,912)	(128,966)	(1,767,005)	55,201	(1,711,804)
<b><u>Other recognised gains and losses</u></b>							
Revaluation of tangible fixed assets		<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,902)</u>	<u>-</u>	<u>(16,902)</u>

## C3 TRUST UK

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

---

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
<b>Net movement in funds</b>		(122,054)	(6,912)	(128,966)	(1,783,907)	55,201	(1,728,706)
Fund balances at 31 March 2021		<u>1,185,244</u>	<u>484,763</u>	<u>1,670,007</u>	<u>2,969,151</u>	<u>429,562</u>	<u>3,398,713</u>
<b>Fund balances at 31 March 2022</b>		<u>1,063,190</u>	<u>477,851</u>	<u>1,541,041</u>	<u>1,185,244</u>	<u>484,763</u>	<u>1,670,007</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

## C3 TRUST UK

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
<b>Income from:</b>							
Donations and gifts	3	1,076,165	30,000	1,106,165	1,277,845	249,866	1,527,711
Charitable activities	4	76,589	-	76,589	279,868	-	279,868
Other trading activities	5	598	-	598	1,582	-	1,582
Investments	6	818	-	818	2,374	-	2,374
Other income	7	62,866	-	62,866	842	-	842
<b>Total income</b>		<u>1,217,036</u>	<u>30,000</u>	<u>1,247,036</u>	<u>1,562,511</u>	<u>249,866</u>	<u>1,812,377</u>
<b>Expenditure on:</b>							
Raising funds	8	15,221	-	15,221	16,175	849	17,024
Charitable activities	9	1,314,006	34,871	1,348,877	1,428,020	213,024	1,641,044
Other	14	10,500	-	10,500	26,950	-	26,950
<b>Total expenditure</b>		<u>1,339,727</u>	<u>34,871</u>	<u>1,374,598</u>	<u>1,471,145</u>	<u>213,873</u>	<u>1,685,018</u>
<b>Net incoming/(outgoing) resources before associated undertakings and transfers</b>		(122,691)	(4,871)	(127,562)	91,366	35,993	127,359
Gross transfers between funds		-	-	-	-	-	-
<b>Net incoming/(outgoing) resources</b>		(122,691)	(4,871)	(127,562)	91,366	35,993	127,359
<b>Other recognised gains and losses</b>							
Revaluation of tangible fixed assets		-	-	-	(16,902)	-	(16,902)
<b>Net movement in funds</b>		(122,691)	(4,871)	(127,562)	74,464	35,993	110,457

## C3 TRUST UK

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

---

Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Fund balances at 1 April 2021	<u>1,237,668</u>	<u>465,555</u>	<u>1,703,223</u>	<u>1,163,204</u>	<u>429,562</u>	<u>1,592,766</u>
<b>Fund balances at 31 March 2022</b>	<u>1,114,977</u>	<u>460,684</u>	<u>1,575,661</u>	<u>1,237,668</u>	<u>465,555</u>	<u>1,703,223</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# C3 TRUST UK

## CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

---

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		1,700,300		1,981,186
<b>Current assets</b>					
Stocks	16	150		150	
Debtors	17	53,406		51,539	
Cash at bank and in hand		<u>638,341</u>		<u>726,889</u>	
		691,897		778,578	
<b>Creditors: amounts falling due within one year</b>	18	<u>(131,911)</u>		<u>(308,514)</u>	
Net current assets			<u>559,986</u>		<u>470,064</u>
<b>Total assets less current liabilities</b>			2,260,286		2,451,250
<b>Creditors: amounts falling due after one year</b>	19		<u>(719,245)</u>		<u>(781,243)</u>
<b>Net assets</b>			<u>1,541,041</u>		<u>1,670,007</u>
<b>Income funds</b>					
Restricted funds	22		477,851		484,763
<u>Unrestricted funds:</u>					
Retained within the charity		1,362,359		1,431,407	
Revaluation reserve		<u>315,106</u>		<u>359,525</u>	
			1,677,465		1,790,932
Non-charitable trading funds			<u>(614,275)</u>		<u>(605,688)</u>
			<u>1,541,041</u>		<u>1,670,007</u>

The financial statements were approved by the board of directors and authorised for issue on 22 March 2023 and are signed on its behalf by:

C Davies  
Trustee

Company Registration No. 5999100

## C3 TRUST UK

### BALANCE SHEET

AS AT 31 MARCH 2022

---

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		1,698,492		1,979,863
<b>Current assets</b>					
Stocks	16	100		100	
Debtors	17	50,356		45,019	
Cash at bank and in hand		<u>599,618</u>		<u>685,835</u>	
		650,074		730,954	
<b>Creditors: amounts falling due within one year</b>	18	<u>(99,493)</u>		<u>(276,351)</u>	
Net current assets			<u>550,581</u>		<u>454,603</u>
<b>Total assets less current liabilities</b>			2,249,073		2,434,466
<b>Creditors: amounts falling due in more than one year</b>	19		<u>(673,412)</u>		<u>(731,243)</u>
<b>Net assets</b>			<u>1,575,661</u>		<u>1,703,223</u>
<b>Income funds</b>					
Restricted funds	22		460,684		465,555
<u>Unrestricted funds:</u>					
General unrestricted funds		695,863		774,135	
Revaluation reserve		<u>419,114</u>		<u>463,533</u>	
			<u>1,114,977</u>		<u>1,237,668</u>
			<u>1,575,661</u>		<u>1,703,223</u>

The financial statements were approved by the board of directors and authorised for issue on 22 March 2023 and are signed on its behalf by:

C Davies  
Trustee

Company Registration No. 5999100

## C3 TRUST UK

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Group			
		2022	2021	2022	2021
		£	£	£	£
<b>Cash flow from operating activities</b>					
Cash generated from operations	27		(164,867)		(546,082)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(14,801)		(43,597)	
Proceeds on disposal of tangible fixed assets		147,135		842	
Interest received		<u>818</u>		<u>2,374</u>	
<b>Net cash (used in)/ generated from investing activities</b>			133,152		(40,381)
<b>Financing activities</b>					
Proceeds of new bank loans		-		50,000	
Repayment of bank loans		<u>(56,833)</u>		<u>(27,388)</u>	
<b>Net cash (used in)/generated from financing activities</b>			<u>(56,833)</u>		<u>22,612</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(88,548)		(563,851)
Cash and cash equivalents at beginning of year			<u>726,889</u>		<u>1,290,740</u>
<b>Cash and cash equivalents at end of year</b>			<u>638,341</u>		<u>726,889</u>
		Charity			
		2022	2021	2022	2021
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27		(164,108)		261,322
<b>Investing activities</b>					
Purchase of tangible fixed assets		(13,229)		(43,597)	
Proceeds on disposal of tangible fixed assets		147,135		842	
Interest received		<u>818</u>		<u>2,374</u>	
<b>Net cash (used in)/ generated from investing activities</b>			134,724		(40,381)
<b>Financing activities</b>					
Repayment of bank loans		<u>(56,833)</u>		<u>(27,388)</u>	
<b>Net cash used in financing activities</b>			<u>(56,833)</u>		<u>(27,388)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(86,217)		193,553
Cash and cash equivalents at beginning of year			<u>685,835</u>		<u>492,282</u>
<b>Cash and cash equivalents at end of year</b>			<u>599,618</u>		<u>685,835</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**1 Accounting policies**

**Company information**

C3 Trust UK is a private company limited by guarantee incorporated in England and Wales. The registered office is The Megacentre, Bernard Road, Sheffield, S2 5BQ.

**1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the main functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and leasehold properties. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future whilst recognising the issues raised in respect of going concern.

Since the 2021/2022 financial year the charity has been financially impacted by the effects of COVID, its own internal and organisational challenges, which took place in 2020, and by the subsequent agreed and intentional restructure of the charity, effected through the release of City Hearts UK, and the strategy to release churches to become independent legal entities in their own right. These have had the effect of significantly reducing the charity's income and associated assets and reserves. At the same time, significant attention has been given to the stabilisation and recovery of the remaining churches. The Trustees have agreed to release churches and in doing so, to donate the cash reserves and capital equipment which local church donations have funded. This has had a consequential and negative impact on the overall financial strength of the charity, however this is being met with the financial recovery of the remaining churches with C3 Hope in Sheffield being the strongest of these financially, closely followed by C3 YRKS.

At the time of compiling and completing these accounts, the Trustees are confident that despite divesting itself of assets the charity's income and growth trends and recovery provide positive signs that the charity's position is and will continue to improve. Despite the plan to release C3 Newcastle, for example, the C3 Trust UK will retain its tenancy at 85 City Road and thereby retain the asset value of the investment in the refurbishment of these premises. Similarly, the retention of C3 Liverpool as part of C3 Trust UK will also ensure that the significant investment and asset value contained in the refurbishment of the Kempston Street property will be retained. In addition, recent investment in The Hope Centre is likely to either enhance or retain the asset value of the building.

In cash terms the three remaining churches which now form C3 Trust UK, continue to work closely to ensure that tight monitoring, review and controls are in place to invest into, and track church recovery and health, which is and will improve the financial position of the charity over the coming months. Across the group of companies we continue to closely monitor risk and exposure at Executive and Non-Executive levels to ensure that recovery is accelerated and the impact is mitigated through sound financial planning.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

---

All these things considered, the Trustees are confident that the charity can continue as a going concern both throughout the next twelve months and the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

**1.4 Incoming resources**

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable except insofar as they are incapable of financial measurement. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Rental income, income from the sale of resources, investment income and income from charitable activities is included in the year in which it is receivable.

Turnover from Hope Centre Limited activities represents amounts receivable for goods and services net of VAT.

**1.5 Resources expended**

Resources expended are recognised in the year in which they are incurred.

Charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes grants made to projects, costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Costs of generating funds relate to costs incurred by trading subsidiaries.

Grant expenditure is included based on the date that individual projects' expenditure has been incurred, rather than the date that the grants are defrayed to the projects.

Governance costs included those costs associated with meeting constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource, and include irrecoverable VAT.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

---

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	-	2% straight line
Leasehold buildings	-	2%/ 33% straight line
Fixtures, fittings and equipment	-	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Fixed assets costing less than £500 are not capitalised.

**1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.8 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.9 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**1.10 Leasing and hire purchase commitments**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**1.11 Pensions**

The charity operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

**1.12 Basis of consolidation**

The financial statements consolidate the accounts of C3 Trust UK and all of its subsidiary undertakings ('subsidiaries').

**1.13 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities.

**1.14 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

---

rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortisation cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.15 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Valuation of land and buildings**

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are as follows.

The charity has revalued its land and buildings and depreciated from each revaluation. The trustees will ensure that valuations will be made regularly and will review the values of the land and buildings shown in the accounts each year to make a judgement as to whether any evidence exists that their values are materially different to the values in the financial statements. This may take into account the state of the fabric of the buildings and the conditions in the market for the types of property owned.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 3 Donations and gifts

	<b>Group</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2022</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and gifts	1,109,159	109,467	1,218,626	1,263,765	285,950	1,549,715
Grants	2,405	30,000	32,405	-	-	-
Coronavirus Job Retention Scheme	<u>3,140</u>	<u>-</u>	<u>3,140</u>	<u>60,171</u>	<u>-</u>	<u>60,171</u>
	<u>1,114,704</u>	<u>139,467</u>	<u>1,254,171</u>	<u>1,323,936</u>	<u>285,950</u>	<u>1,609,886</u>

	<b>Charity</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2022</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and gifts	1,076,165	-	1,076,165	1,261,465	249,866	1,511,331
Grants	-	30,000	30,000	-	-	-
Coronavirus Job Retention Scheme	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,380</u>	<u>-</u>	<u>16,380</u>
	<u>1,076,165</u>	<u>30,000</u>	<u>1,106,165</u>	<u>1,277,845</u>	<u>249,866</u>	<u>1,527,711</u>

#### 4 Charitable activities

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sales within charitable activities	312,294	241,797	2,938	5,902
Charitable rental income, recharges and other income	<u>26,136</u>	<u>239,391</u>	<u>73,651</u>	<u>273,966</u>
	<u>338,430</u>	<u>481,188</u>	<u>76,589</u>	<u>279,868</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 5 Other trading activities

	Group	
	2022	2021
	£	£
Hope Centre Limited	51,082	24,228
Sales of books and resources	<u>598</u>	<u>1,582</u>
	<u>51,680</u>	<u>25,810</u>

	Charity	
	2022	2021
	£	£
Sales of books and resources	<u>598</u>	<u>1,582</u>

#### 6 Investments

	Group					
	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	£	£	£	£	£	£
Interest receivable	<u>818</u>	<u>      </u>	<u>818</u>	<u>2,374</u>	<u>      </u>	<u>2,374</u>

	Charity					
	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	£	£	£	£	£	£
Interest receivable	<u>818</u>	<u>      </u>	<u>818</u>	<u>2,374</u>	<u>      </u>	<u>2,374</u>

#### 7 Other income

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Gain on disposal of tangible fixed assets	-	842	-	842
Sundry income	<u>62,866</u>	<u>      </u>	<u>62,866</u>	<u>      </u>
	<u>62,866</u>	<u>842</u>	<u>62,866</u>	<u>842</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 8 Raising funds

	<b>Group</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2022</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<u>Fundraising and publicity</u>						
Staging fundraising events	<u>15,150</u>	-	<u>15,150</u>	<u>15,001</u>	<u>849</u>	<u>15,850</u>
	<u>15,150</u>	-	<u>15,150</u>	<u>15,001</u>	<u>849</u>	<u>15,850</u>
<u>Trading costs</u>						
Other trading activities	<u>49,175</u>	<u>2,027</u>	<u>51,202</u>	<u>58,015</u>	-	<u>58,015</u>
	<u>64,325</u>	<u>2,027</u>	<u>66,352</u>	<u>73,016</u>	<u>849</u>	<u>73,865</u>

Raising funds include payments to the auditors of £1,700 (2021: £1,750) for services not connected to the charity and consolidated group accounts.

	<b>Charity</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2022</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<u>Fundraising and publicity</u>						
Staging fundraising events	<u>15,150</u>	-	<u>15,150</u>	<u>15,001</u>	<u>849</u>	<u>15,850</u>
	<u>15,150</u>	-	<u>15,150</u>	<u>15,001</u>	<u>849</u>	<u>15,850</u>
<u>Trading costs</u>						
Other trading activities	<u>71</u>	-	<u>71</u>	<u>1,174</u>	-	<u>1,174</u>
	<u>15,221</u>	-	<u>15,221</u>	<u>16,175</u>	<u>849</u>	<u>17,024</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**9 Charitable activities**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	851,755	971,151	504,885	751,483
Depreciation and impairment	122,620	126,238	121,532	125,396
Church departments and events	34,939	10,944	34,939	10,944
Minister's consultancy fees	-	7,625	-	7,625
Food and drink	-	8,106	-	-
Activities and outings	-	137	-	-
Hospitality and gifts	17,820	19,001	17,820	19,001
Rent, rates, and service charges	135,791	211,316	124,600	211,316
Insurance and utilities	75,195	90,026	72,526	88,468
Repairs and cleaning	150,820	140,293	143,510	135,038
Hire of office equipment	17,047	17,364	10,068	17,364
Subscriptions	34,801	22,885	34,665	22,885
Postage, stationery and adverts	14,452	12,493	7,381	10,075
Telephone and fax	4,957	8,377	2,506	8,377
Motor and travel expenses	8,515	16,271	8,515	16,271
Bad and doubtful debts	(104)	3,964	-	-
Educational activities	-	3,337	-	-
Legal, professional and consultancy fees	120,571	135,556	106,163	125,003
Staff recruitment and training	1,216	1,661	-	-
Catering costs	-	4,401	-	-
General expenses	92,438	77,374	77,313	70,113
Bank interest and charges	17,454	19,003	12,642	17,661
Loss on disposal of tangible fixed assets	<u>25,933</u>	<u>-</u>	<u>25,933</u>	<u>-</u>
	1,726,220	1,907,523	1,304,998	1,637,020
Grant funding of activities (see note 10)	39,879	-	39,879	-
Share of governance costs (see note 11)	<u>4,480</u>	<u>4,024</u>	<u>4,000</u>	<u>4,024</u>
	<u>1,770,579</u>	<u>1,911,547</u>	<u>1,348,877</u>	<u>1,641,044</u>
<b>Analysis by fund</b>				
Unrestricted funds	1,626,167	1,681,647	1,314,006	1,428,020
Restricted funds	<u>144,412</u>	<u>229,900</u>	<u>34,871</u>	<u>213,024</u>
	<u>1,770,579</u>	<u>1,911,547</u>	<u>1,348,877</u>	<u>1,641,044</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 10 Grants payable

	Group	
	2022	2021
	£	£
Grants to institutions	39,879	-
Grants to individuals	<u>-</u>	<u>-</u>
	<u>39,879</u>	<u>-</u>

A grant of £32,153 was paid to Hope City Accra and £7,726 to Hope City Kuala Lumpur on leaving the C3 Trust UK group.

	Charity	
	2022	2021
	£	£
Grants to institutions	39,879	-
Grants to individuals	<u>-</u>	<u>-</u>
	<u>39,879</u>	<u>-</u>

#### 11 Support costs

	Group and Charity					
	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Audit fees	<u>-</u>	<u>4,480</u>	<u>4,480</u>	<u>-</u>	<u>4,024</u>	<u>4,024</u>
	<u>-</u>	<u>4,480</u>	<u>4,480</u>	<u>-</u>	<u>4,024</u>	<u>4,024</u>
Analysed between Charitable activities	<u>-</u>	<u>4,480</u>	<u>4,480</u>	<u>-</u>	<u>4,024</u>	<u>4,024</u>

##### Group

Governance costs includes payments to the auditors of £4,480 (2021: £4,024) for audit fees. Charitable activities costs includes payments of £8,800 (2021: £7,280) to the auditors for other services.

##### Charity

Governance costs includes payments to the auditors of £4,000 (2021: £4,024) for audit fees. Charitable activities costs includes payments of £5,000 (2021: £5,000) to the auditors for other services.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

#### 12 Trustees

C Davies received emoluments of £19,489 (2021: £31,614) and pension contributions of £2,550 (2021: £1,750) during the year. A company owned and controlled by C Davies and his wife received £26,090 (2021: £11,155) for providing payroll and consultancy services to the charity. They received £28,301 (2021: £13,305) for providing payroll and consultancy services to the group. C Davies and his wife made donations totalling £6,920 (2021: £16,380) to the church with donations being made personally by both of them and also making donations from their business.

A E Ibbotson received emoluments of £20,943 (2021: £21,051) during the year.

None of the other trustees received emoluments or benefits during the year (2021: £nil).

The church's constitution expressly permits trustees to be remunerated provided certain conditions are met.

#### 13 Employees

##### Number of employees

The average number of employees during the year was:

	Group		Charity	
	2022	2021	2022	2021
	Number	Number	Number	Number
Trustees of C3 Trust UK	6	6	6	6
Trustees / directors of subsidiaries	3	3	-	-
Employees	<u>53</u>	<u>65</u>	<u>28</u>	<u>33</u>
	<u>62</u>	<u>74</u>	<u>34</u>	<u>39</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 13 Employees (continued)

##### Employment costs

			Group			
	Raising funds £	Charitable activities £	2022 £	Raising funds £	Charitable activities £	2021 £
Wages and salaries	24,030	784,285	808,315	24,249	888,868	913,117
Social security costs	1,608	39,875	41,483	1,355	50,350	51,705
Other pension costs	<u>615</u>	<u>27,595</u>	<u>28,210</u>	<u>558</u>	<u>31,933</u>	<u>32,491</u>
	<u>26,253</u>	<u>851,755</u>	<u>878,008</u>	<u>26,162</u>	<u>971,151</u>	<u>997,313</u>
					<b>Charity</b>	
					<b>2022</b>	<b>2021</b>
					£	£
Wages and salaries					455,111	684,552
Social security costs					28,579	40,135
Other pension costs					<u>21,195</u>	<u>26,796</u>
					<u>504,885</u>	<u>751,483</u>
					<b>Group and Charity</b>	
					<b>2022</b>	<b>2021</b>
The number of employees whose annual remuneration was £60,000 or more were;					=	=

Contributions totalling £nil (2021: £ nil) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

#### 14 Other

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Bad debts	-	-	<u>10,500</u>	<u>26,950</u>
	<u>-</u>	<u>-</u>	<u>10,500</u>	<u>26,950</u>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**15 Tangible fixed assets (continued)**

Some of the church's freehold land and buildings were externally revalued at £1,475,000 at their open market value in December 2017 by Cushman and Wakefield, Chartered Surveyors. Improvements made since 31 March 2007 are included at a cost less accumulated depreciation. Improvements to leasehold premises with a net book value of £24,247 are included within the fixed assets of Hope Community Foundation (a charitable company controlled by C3 Trust UK) which has a sublease on part of the premises. The trustees are of the opinion that the value at 31 March 2022 would not differ significantly from this valuation.

**Group**

Some of the charity's leasehold and freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2022 amounting to 55% (2021: 57%) of their net book value as stated in these accounts.

**Charity**

Some of the charity's leasehold and freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2022 amounting to 55% (2021: 57%) of their net book value as stated in these accounts.

**Comparable historical cost for the land and buildings included at valuation:**

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Cost	1,517,030	1,652,496	1,401,120	1,536,586
Accumulated depreciation	<u>654,365</u>	<u>661,062</u>	<u>562,702</u>	<u>576,894</u>
At 31 March 2022	<u>862,665</u>	<u>991,434</u>	<u>838,418</u>	<u>959,692</u>

All other tangible fixed assets are stated at historical cost.

**16 Stocks**

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Goods for resale	<u>150</u>	<u>150</u>	<u>100</u>	<u>100</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 17 Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	10,180	11,363	2,302	5,052
Amounts due from subsidiary undertakings	-	-	16,461	1,688
Other debtors	37,892	30,551	26,259	29,304
Prepayments and accrued income	<u>5,334</u>	<u>9,625</u>	<u>5,334</u>	<u>8,975</u>
	<u>53,406</u>	<u>51,539</u>	<u>50,356</u>	<u>45,019</u>

#### 18 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts	66,993	60,695	54,049	53,051
Trade creditors	16,640	51,232	14,985	43,599
Taxation and social security	-	4,155	587	4,155
Other creditors	32,964	165,283	16,070	153,501
Accruals	15,314	16,911	13,802	11,807
Deferred income	<u>-</u>	<u>10,238</u>	<u>-</u>	<u>10,238</u>
	<u>131,911</u>	<u>308,514</u>	<u>99,493</u>	<u>276,351</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 19 Creditors: amounts falling due after more than one year

	Group	
	2022	2021
	£	£
Mortgage and loan	<u>719,245</u>	<u>781,243</u>
<b>Analysis of mortgage and loan</b>		
Not wholly repayable within five years by instalments	446,859	508,872
Wholly repayable within five years	<u>330,602</u>	<u>325,422</u>
	777,461	834,294
Included in current liabilities	<u>(58,216)</u>	<u>(53,051)</u>
	<u>719,245</u>	<u>781,243</u>
<b>Loan maturity analysis</b>		
Debt due in one year or less	58,216	53,051
In more than one year but not more than two years	63,398	64,048
In more than two years but not more than five years	208,988	208,324
In more than five years	<u>446,859</u>	<u>508,872</u>
	<u>777,461</u>	<u>834,294</u>

The mortgages are secured by first legal charges over the group's freehold and leasehold land and buildings.

	Charity	
	2022	2021
	£	£
Mortgage	<u>673,412</u>	<u>731,243</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments	446,859	508,872
Wholly repayable within five years	<u>280,602</u>	<u>275,422</u>
	727,461	784,294
Included in current liabilities	<u>(54,049)</u>	<u>(53,051)</u>
	<u>673,412</u>	<u>731,243</u>
<b>Loan maturity analysis,</b>		
Debt due in one year or less	54,049	53,051
In more than one year but not more than two years	55,065	54,048
In more than two years but not more than five years	171,488	168,324
In more than five years	<u>446,859</u>	<u>508,872</u>
	<u>727,461</u>	<u>784,294</u>

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

#### 20 Deferred income

	Group and Charity	
	2022	2021
	£	£
Other deferred income	<u>-</u>	<u>10,238</u>

#### 21 Pension and other post-retirement benefit commitments

##### Defined contribution

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Contributions payable by the group and charity for the year	<u>28,210</u>	<u>32,491</u>	<u>15,285</u>	<u>17,681</u>

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the fund.

C3 TRUST UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	<b>Group Movement in funds</b>							
	<b>Balance at 1 April 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 31 March 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2022 £</b>
Dream Offering	492,562	249,866	(213,873)	465,555	-	(34,871)	-	430,684
Garfield Weston Foundation	-	-	-	-	30,000	-	-	30,000
Henry Smith Charity	-	16,550	(6,763)	9,787	33,100	(38,957)	-	3,930
Hope Hampers	-	11,905	(10,113)	1,792	2,493	(947)	-	3,338
Neon Schools Programme	-	4,629	-	4,629	37	-	-	4,666
Befriending/ Jigsaw Services	-	3,000	-	3,000	-	(1,681)	-	1,319
Kickstart	-	-	-	-	70,465	(68,415)	-	2,050
Pola Dot Playgroup	-	-	-	-	500	(560)	60	-
Share the Light	-	-	-	-	2,872	(1,008)	-	1,864
	<u>429,562</u>	<u>285,950</u>	<u>(230,749)</u>	<u>484,763</u>	<u>139,467</u>	<u>(146,439)</u>	<u>60</u>	<u>477,851</u>

	<b>Charity Movement in funds</b>							
	<b>Balance at 1 April 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 31 March 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2022 £</b>
Dream Offering	429,562	249,866	(213,873)	465,555	-	(34,871)	-	430,684
Garfield Weston Foundation	-	-	-	-	30,000	-	-	30,000
	<u>429,562</u>	<u>249,866</u>	<u>(213,873)</u>	<u>465,555</u>	<u>30,000</u>	<u>(34,871)</u>	<u>-</u>	<u>460,684</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**22 Restricted funds (continued)**

The Dream Offering was an offering made with the intention of raising funds to fund the future development of each of the church's locations. Each location has its own forward looking plan and the Dream Offering is therefore appropriated and allocated against the specific requirements of each location. In some instances this will relate to the purchase or refurbishment of premises and in others securing the medium to long term future of the congregation by enabling the hiring of venues.

During this financial year we received a donation from Garfield Weston Foundation that will contribute towards the cost of essential roof works to the Hope Centre building in Sheffield which is scheduled to be completed by the end of January 2023.

The charity received the second drawdown of a three year grant from the Henry Smith Charity. The grant has been awarded to assist with capacity building or projects and to strengthen the role of volunteering in the charity and has funded a Volunteer Coordinator for the whole of the period of the funding.

Various funders contributed to our efforts to tackle the immediate impact of COVID-19 by providing emergency food provision through our Hope Hampers project up to April 2022 to those affected either directly or indirectly.

In order to contribute to a planned project working with young people in schools, funds were raised largely through Aviva Community Fund to the Neon Schools Programme. This project has not yet commenced due to COVID-19 restrictions and the impact in schools but has commenced post year end with one person employed for one day a week.

Jigsaw services are now providing two weekly sessions for over 55s. Funds raised for the project in financial year 2020/21 are now being spent.

Kickstart provides work placements for young people. This project has completed post year end.

Polka Dots Playgroup has delivered weekly sessions during term time for over twenty two individuals.

To further meet the needs of the local communities and to strengthen the wider work of our food relief over the winter period we launched a small one-off campaign entitled 'Share the Light' in December 2021.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 23 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Group			Total 2021 £
			Total 2022 £	Unrestricted	Restricted	
				funds 2021 £	funds 2021 £	
Fund balances at 31 March 2022 are represented by:						
Tangible assets	1,700,300	-	1,700,300	1,981,186	-	1,981,186
Current assets/(liabilities)	82,135	477,851	559,986	(14,699)	484,763	470,064
Long term liabilities	(719,245)	-	(719,245)	(781,243)	-	(781,243)
	<u>1,063,190</u>	<u>477,851</u>	<u>1,541,041</u>	<u>1,185,244</u>	<u>484,763</u>	<u>1,670,007</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Group		Total 2021 £
				Unrestricted	Restricted	
				funds 2021 £	funds 2021 £	
Unrealised gains included above:						
On tangible fixed assets	<u>315,106</u>	-	<u>315,106</u>	<u>359,525</u>	-	<u>359,525</u>
	<u>315,106</u>	-	<u>315,106</u>	<u>359,525</u>	-	<u>359,525</u>

Reconciliation of movements in unrealised gains:						
Unrealised gains at 1 April 2021	359,525	-	359,525	376,427	-	376,427
Revalued element of fixed assets sold during period	(44,419)	-	(44,419)	-	-	-
Revaluation of tangible fixed asset	-	-	-	(16,902)	-	(16,902)
Unrealised gains at 31 March 2022	<u>315,106</u>	-	<u>315,106</u>	<u>359,525</u>	-	<u>359,525</u>

**C3 TRUST UK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**23 Analysis of net assets between funds (continued)**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Charity			Total 2021 £
			Total 2022 £	Unrestricted	Restricted	
				funds 2021 £	funds 2021 £	
Fund balances at 31 March 2022 are represented by:						
Tangible assets	1,698,492	-	1,698,492	1,979,863	-	1,979,863
Current assets/(liabilities)	89,897	460,684	550,581	(3,952)	458,555	454,603
Long term liabilities	<u>(673,412)</u>	<u>-</u>	<u>(673,412)</u>	<u>(731,243)</u>	<u>-</u>	<u>(731,243)</u>
	<u>1,114,977</u>	<u>460,684</u>	<u>1,575,661</u>	<u>1,244,668</u>	<u>458,555</u>	<u>1,703,223</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Charity		Total 2021 £
				Unrestricted	Restricted	
				funds 2021 £	funds 2021 £	
Unrealised gains included above:						
On tangible fixed assets	<u>419,114</u>	<u>-</u>	<u>419,114</u>	<u>463,533</u>	<u>-</u>	<u>463,533</u>
	<u>419,114</u>	<u>-</u>	<u>419,114</u>	<u>463,533</u>	<u>-</u>	<u>463,533</u>

Reconciliation of movements in unrealised gains:						
Unrealised gains at 1 April 2021	463,533	-	463,533	480,435	-	480,435
Revalued element of fixed assets sold during period	(44,419)	-	(44,419)	-	-	-
Revaluation of tangible fixed asset	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,902)</u>	<u>-</u>	<u>(16,902)</u>
Unrealised gains at 31 March 2022	<u>419,114</u>	<u>-</u>	<u>419,114</u>	<u>463,533</u>	<u>-</u>	<u>463,533</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**24 Operating lease commitments**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Within one year	106,606	99,999	106,606	97,129
Between two and five years	296,122	330,768	296,122	330,768
In over five years	<u>111,000</u>	<u>161,875</u>	<u>111,000</u>	<u>161,875</u>
	<u>513,728</u>	<u>592,642</u>	<u>513,728</u>	<u>589,772</u>
<b>Capital commitments</b>				

The group and charity had no capital commitments at 31 March 2022.

**25 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel, none of whom were trustees, is as follows.

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Aggregate compensation	<u>11,893</u>	<u>58,704</u>	<u>-</u>	<u>43,368</u>

The trustees review payments made to employees in similar managerial positions in other churches and similar organisations when considering the levels of pay for key managers. The trustees also take into consideration the ability of the charitable company to be able to pay such salaries.

**26 Subsidiaries**

These financial statements are separate company financial statements for C3 Trust UK.

The charity has control of 100% of the assets and trade of **Hope Community Foundation** (formerly Hope City Foundation), a charitable company limited by guarantee. The company operates as a children's nursery on church premises utilising assets purchased by the charity and carries out other community based activities. Hope Community Foundation became a registered charity in March 2004 (charity number 1102542). At the year-end Hope Community Foundation had net assets of £8,045 (2021: £16,162). During the year ended 31 March 2022 its total incoming resources were £457,361 (2021: £309,923) and its total resources expended were £465,478 (2021: £310,836) leaving a net decrease in funds of £8,117 (2021: £913).

C3 Trust UK owns 100% of the ordinary share capital of **Hope Centre Limited** (formerly Megacentre Limited), a trading company which generates funds for the church. Hope Centre Limited began trading on 1 April 2003, it operates from church premises and its principal activity is the letting of conference facilities and running a children's play area and café. At 31 March 2022 the net liabilities of Hope Centre were £614,175 (2021: £605,588). Its turnover for the year ended 31 March 2022 was £51,082 (2021: £24,228) and its total resources expended were £59,669 (2021: £49,194) leaving a loss for the year of £8,587 (2021: £24,966).

**C3 TRUST UK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**27 Cash generated from operations**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Surplus/(deficit) for the year	(128,966)	(1,711,804)	(127,562)	127,359
Adjustments for:				
Investment income recognised in statement of financial activities	(818)	(2,374)	(818)	(2,374)
Loss/(gain) on disposal of tangible fixed assets	25,933	(842)	25,933	(842)
Depreciation and impairment of tangible fixed assets	122,620	126,238	121,532	125,396
Net cash flow from City Hearts (UK) leaving the group	-	281,096	-	-
Movements in working capital:				
Decrease in stock	-	900	-	900
Decrease/(increase) in debtors	(1,868)	892,985	(5,337)	55,606
(Decrease)/increase in creditors	(181,768)	(75,388)	(167,618)	(54,961)
Increase/(decrease) in deferred income	<u>-</u>	<u>(56,893)</u>	<u>(10,238)</u>	<u>10,238</u>
<b>Cash generated from/(absorbed by) operations</b>	<b><u>(164,867)</u></b>	<b><u>(546,082)</u></b>	<b><u>(164,108)</u></b>	<b><u>261,322</u></b>

**28 Analysis of changes in net (debt)/funds**

	<b>Group</b>		
	<b>At 1 April 2021</b>	<b>Cash flows</b>	<b>At 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	726,889	(88,548)	638,341
Loans falling due within one year	(60,695)	2,480	(58,215)
Loans falling due after more than one year	<u>(781,243)</u>	<u>61,998</u>	<u>(719,245)</u>
	<u>(115,049)</u>	<u>(24,070)</u>	<u>(139,119)</u>
	<b>Charity</b>		
	<b>At 1 April 2021</b>	<b>Cash flows</b>	<b>At 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	685,835	(86,217)	599,618
Loans falling due within one year	(53,051)	(998)	(54,049)
Loans falling due after more than one year	<u>(731,243)</u>	<u>57,831</u>	<u>(673,412)</u>
	<u>(98,459)</u>	<u>(29,384)</u>	<u>(127,843)</u>

**C3 TRUST UK**

England & Wales - Charity number 1119791

---

# Accounts

---

CHARITY REGISTRATION NUMBER 1119791  
COMPANY REGISTRATION NUMBER 5999100

**C3 TRUST UK**  
**FORMERLY HOPE CITY CHURCH**  
**GROUP ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

## C3 TRUST UK

### LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	C Davies P Bengler C W Davies O Olarinde A E Ibbotson (Appointed 10 June 2020) M Muthiah (Appointed 25 November 2021) J Hemmingfield (Appointed 25 November 2021)
<b>Secretary</b>	A E Ibbotson
<b>Charity number</b>	1119791
<b>Company number</b>	5999100
<b>Principal address</b>	The Megacentre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Registered office</b>	The Megacentre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Auditors</b>	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield South Yorkshire S8 0XF
<b>Bankers</b>	Barclays Bank plc City Office Sheffield S1 1NG
<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR

## C3 TRUST UK

### CONTENTS

---

	<b>Page</b>
Trustees' report	1 – 10
Statement of trustees' responsibilities	11
Independent auditors' report	12 – 15
Consolidated statement of financial activities	16 – 17
Statement of financial activities	18 – 19
Consolidated balance sheet	20
Balance sheet	21
Statement of cash flows	22
Notes to the accounts	23 – 46

# **C3 TRUST UK**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2021**

---

The Trustees present their report and consolidated accounts for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 "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**

The Articles of Association restrict the objectives of the Church to:

- a) advance the Christian faith in accordance with the Statement in such way 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 may think fit; and
- c) to advance education in such parts of the United Kingdom or the world as the directors from time to time may think fit.

Under the broad objects of the charity, each church belonging to C3 Trust UK has been granted the autonomy, under a formal and agreed 'Scheme of Delegation', to define a vision for their local church which reflects their aspirations for their location and their church community.

All other charitable activities undertaken by the Church are to further the attainment of the above objectives.

The trustees have paid due regard to the guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

##### **C3 Trust UK Churches**

Not unlike many churches globally, the effects of the COVID-19 pandemic have been significant. In addition to this, the pandemic has significantly disrupted church and organisational life as usual, and even at the time of this report our churches are still working in the long tail of this global phenomenon.

In addition to this, the charity has undergone significant upheaval, review, change and restructuring because of revelations which were brought to light shortly following the murder of George Floyd on 25 May 2020. Allegations of racial discrimination being present in the charity underpinned by evidence of what has been referred to as 'dysfunctional' or 'toxic' leadership culture led to the resignation of the Senior Ministers of the church in June 2020, the practical, financial, and legal separation of the church from City Hearts UK and the commissioning of an internal investigation led by Trustees and moderated by an external adviser and implemented under the guidance and instruction of Charity Commission, the results of which were published in February 2021.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

---

These two driving factors, being the pandemic and internal investigation, have had a significant impact on attendance, membership and indeed the paradigm within which the church has operated. During this time, where 'in-person' gatherings were not permitted, it was almost impossible to determine the health of the church based on church attendance as a key measure. Our churches responded quickly to the pandemic by hosting online services and engaging with congregants online by more actively using social media platforms. More recently, for the most part we have returned to 'in-person' services whilst retaining an online presence for those unable to attend in-person. This has resulted in a steady, although not altogether unhindered, return of people to more traditional face-to-face or in-person gatherings.

Based on the data available at the time of this report our data suggests that overall attendance or record of membership as of 31 March 2021 was approximately 2000 people and approximately 1900 people as of November 2021. This excludes the combined membership of former Hope City churches located in Birmingham, Accra, London, Frankfurt, Darmstadt and Kuala Lumpur.

After extensive discussions with Hope City Birmingham Lead Pastors and local members, Trustees agreed to wind down the church in November 2020. At the time of closure, it was estimated that membership sat at 120 people with a similar membership at the time of closure.

After a process of due diligence and consultation, Trustees agreed to release Hope City Accra, Hope City Frankfurt, Hope City Darmstadt, and Hope City Kuala Lumpur from its direct oversight, with all churches becoming independent C3 churches with their own governance in place as of 31 March 2021. At the time of transition, we estimate combined membership to be in the region of 1300 people.

Hope City London (now C3 Reflect) was also released to form its own independent C3 Church from July 2021 under its own charity governance with an estimated membership of 150 people at that time, with 100 attending online services.

In each case, Trustees were satisfied, through its due diligence, that these decisions were made in the best interest of the C3 Trust UK moving forwards, and of the respective churches themselves.

Despite the clear and present challenges facing churches over this period, churches have succeeded in moving forward in a number of key areas.

Many of our churches have sought to maintain or even increase their social action to support their local communities, either directly through the church, through the work of Hope Community Foundation in Sheffield, or working closely with partner charities such as Project Hope in Leeds.

In addition, many have successfully run a number of online (and more recently in person) Alpha courses, which have had an encouraging attendance in seeking to introduce people to the Christian faith.

The past 12 months in particular, has also created an opportunity to re-establish, galvanise, and strengthen local church leadership teams and begin to rethink wider volunteering, bringing greater collaboration, transparency, and accountability. It has also empowered Lead Pastors to begin to allow vision and values for their local church and their community to emerge, and to seek to bring something unique through their own ministry gifting and calling. This, and other positive changes, have helped to begin to build a solid foundation for the furtherance of the mission of the charity in the future.

**Investigation & Improvements**

Between June 2020 and February 2021, the charity commissioned and undertook an internal investigation to explore the degree to which racism had been or was present, and how this had been impacted by a leadership culture which had been described as 'toxic'. This process was led by Trustees but informed and critiqued by an independent external adviser, previously unknown to the charity.

Following extensive consultation with present and former church members and staff, a report was compiled and published in February 2021 which highlighted a number of themes and recommended actions around each theme. The themes were:

1. Racial Discrimination
2. Leadership Culture
3. Community Culture
4. Accountability & Decision Making
5. Financial Management
6. Governance & Compliance

From the recommendations, a Change & Improvement Plan has been compiled and is currently being implemented at local and Trustee levels. As a result, positive change has been made to adequately resource key areas of need such as Human Resources, Compliance and Financial Management. With this resource in place the charity has made significant headway in strengthening key policy and practice particularly in relation to financial reporting, Governance, Risk, Equality & Diversity, Safeguarding, Whistleblowing, Recruitment & Selection & good practice relating to People Management in general.

Initial and ongoing training of Trustees and Key Leaders has been foundational in responding to the report and guiding cultural change and practice, with all Lead Pastors and many of their Leadership Teams engaging in diversity training and ongoing involvement and training around creating a stronger focus on 'wellbeing' through our Safeguarding policy and processes.

Structural change has included the formation of an Executive Board and the appointment of a Chief Executive Officer to work under the delegated authority of Trustees (detailed in an agreed Scheme of Delegation) and the strengthening of the relational link with C3 Global particularly in Europe, with a clear remit to provide Spiritual Oversight for Lead Pastors; a role which complements the role of Trustees in governing and overseeing the work of the charity.

Development Reviews with Lead Pastors have highlighted their individual commitment to establish and grow healthy, Christ-centred church culture which focuses on wellbeing, openness and transparency, authentic relationships and a strong sense of community as well as ensuring adherence to the central tenets of the Christian faith, including the call to both be disciples and to make disciples as exemplified by Jesus, together with the vital role of prayer.

At local church level, church leaders have made progress around the charity's commitment to Diversity, with generally greater representation, voice and influence being evident from people of colour and different ethnic backgrounds.

However, the past 18 months has been a considerable challenge for churches as congregations responded to the allegations and the subsequent investigation. This was a time of contrition for Leaders, but also of intense pressure in not only trying to manage impact at local level, but personally navigate this season at the same time as reflecting on the practical implementation of change and all this would entail.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

---

We recognise that this is very much an ongoing development journey for the charity which is being led both by individual commitment from its Trustees and leadership and by the Change & Improvement plan arising from the charity's report published in February 2021. In this sense, we recognise the need to maintain the momentum around change through the work of Trustees and the Executive Board.

Trustees remain hopeful that the considerable amount of hard work and prayer which has been invested into change will continue to bear fruit across all of our churches.

#### **C3 Trust UK Property**

As of March 2021 and having successfully completed the sale of their property at 89 Beaumont Rd Nth, Sheffield, and the full and final settlement of associated loans, C3 Trust UK own one building to house its work and ministry and that of its affiliated organisations.

The Sheffield Megacentre, recently renamed The Hope Centre, is a 54,000 ft<sup>2</sup> building which is the home of C3 Hope and comprises a large auditorium and overflow facility ('The Forge' with seating capacity for over 150 people) as well as varied and extensive conferencing and training rooms, lettable and dedicated office space, a community hub and café. In the financial year to which these accounts relate, the use of the building for conferencing continued to perform better than expected despite the impact of the pandemic and was used extensively to support the effort to train those involved in combatting the effects of COVID-19.

As part of the process of formal separation, City Hearts UK relocated their Sheffield operation having been located in what was the Megacentre since their formation. As a result of this and other factors including COVID-19, the building is being repurposed through the work of C3 Trust UK's Sheffield Church, C3 Hope, Hope Community Foundation and Megacentre Limited. The building will continue to house a mixture of church, community and commercial activities designed to deliver church health and growth, social value and longer-term financial sustainability for the building and the church.

Despite recent challenges largely brought on by the global pandemic, the building has continued to provide a means to deliver a number of much needed community projects. These have included our partnership with The Message Trust, a Christian Charity based in the Northwest of England whose objects are closely aligned with those of C3 Trust UK. The Foundation Community Grocery with more than 700 members, provides affordable food for local people in need. This partnership creates social value amongst areas that experience acute deprivation and disadvantage.

As a result of a significant organisational restructure and review, Trustees are no longer exploring ideas to purchase land in Sheffield or to build at Waverley and are focusing all efforts on maintaining and developing current facilities to drive forward the local mission of the church. At this point the charity has entered into dialogue with Charity Commission around the repurposing of funds which were raised for the Waverley Appeal. This process has been undertaken under strict advice and guidance from both our legal advisers and Charity Commission. The intention remains to repurpose remaining funds towards a vision to invest in the Hope Centre facility. We hope that this process will conclude successfully at some point in the 2022/23 Financial Year.

C3 Trust UK continues to seek external funding to support the ongoing maintenance and upkeep of the Hope Centre and aims to commence Phase 1 of these works before March 2023 subject to both fundraising success and the successful reallocation of funds raised for Waverley.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

---

During this financial year, C3 Newcastle, C3 Sunderland, and C3 Liverpool have continued to service leases on properties which they have adapted to one extent or another to meet the needs of the church. These leases, in the cases of C3 Newcastle and C3 Liverpool have represented a significant ongoing cost to these local churches despite not being fully utilised during the pandemic. In the case of the C3 Liverpool premises on Kempston Street, Liverpool, the loss of the sole tenant in their building has continued to represent a challenge to C3 Liverpool although continued efforts are being made to identify a new tenant for approximately 14,000 ft<sup>2</sup> of the building.

For those churches who have had not needed meeting facilities during periods of national lockdown, they have, until recently met online only, and absorbed the cost savings usually associated with building hire. Over recent months, 'in-person' services have started to increase as COVID-19 restrictions have begun to ease. This is seen very much as a positive step towards re-gathering the church, re-establishing connections, and re-building community, however as with other churches across the world, this is uncharted territory for churches and for church leaders.

#### **Annual Giving**

Unlike previous years, each location undertook just one separate giving campaign in addition to regular giving. Historically, a further offering has consistently and collectively taken place, that went towards the central running costs of the church, as well as other external global Christian missions. As a result of continued transition, together with an enhanced local identity in each location, this central offering no longer takes place.

Previously, all Hope City Church locations included an annual 'Dream Offering' each year which continued in the financial year 2020-2021 and largely went towards building and venue costs for each location, except for the Sheffield location which focused on restricted funds for the Waverley project, vision centres and more recently, specifics within main account sustenance. The Dream Offering that was collected in the Birmingham location between April 2020 – November 2020 was returned to each donor at the end of November 2020 as part of plans to close this location.

From April 2021, most locations have continued with an additional, mostly unrestricted annual offering in the form of a 'Vision Builders' or 'Heart for the House' campaign. This separate offering varies with each church, but continues to mostly cover building and venue costs, local missions, and ministries as well as funding other usual and general local church activities.

For each annual campaign the giving consists of one-off donations, standing orders and financial pledges.

#### **Staffing**

At the beginning of the financial period, Gross Monthly Pay on salaries for C3 Trust UK was £54,813 for 39 people working on either a full time or part time basis. By the end of the financial period in March 2021 this had decreased to £43,149 employing 32 people.

As a result of improved governance and structure during the financial year 2020-2021, salary bands came into effect for all C3 Trust UK staff and this process continues to make significant developments whilst adhering to appropriate HR advice and guidance.

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

##### **Subsidiary and other controlled companies**

The achievements and performance of the church's subsidiaries and other controlled companies for the year ended 31 March 2021 were as follows:

- Megacentre Limited through its trading activities suffered a loss of £24,966 (2020: £35,189). Closing shareholders' funds were in deficit at £605,588 (2020: £580,622). Megacentre Limited is a limited company incorporated in England and Wales and C3 Trust UK owns 100% of the share capital. The nature of its business is the provision of conference facilities, running a café and a children's play area.
- Hope Community Foundation, formerly Hope City Foundation, made a deficit of £913 (2020: £50,008) this year. Closing funds were £16,162 (2020: £17,075) of which £19,208 (2020: £nil) were restricted and £ (3,046) (2020: £17,075) were unrestricted. Hope Community Foundation is a charitable company registered in England and Wales. C3 Trust UK are able to appoint and remove the trustees of this charitable company and the nature of its business is the provision of nursery education and care.
- City Hearts (UK) left the C3 Trust UK group on 1 April 2020.

##### **Financial review**

The trustees make strategic decisions based on the financial position of the church by reference to the financial information (i.e. budgets, cash flows) provided to them. They do not however carry out the routine day to management of the church, for which the budget leader for each department is responsible.

The Statement of Financial Activities shows a net increase in funds of £110,457 (2020: £143,756). The church has general unrestricted reserves of £774,135 excluding the revaluation reserve, compared with £682,769 the previous year. The trustees have identified that the reserves are at a low level, representing more than 73% (including the revaluation reserve) of annual net resources expended (2020: 47%). This percentage is much higher than the previous year. The freely available unrestricted reserves were £49,099.

The Consolidated Statement of Financial Activities shows a net decrease in funds of £1,728,706 (2020: increase in funds of £664,637). The net decrease in funds includes £1,846,492 relating to City Hearts (UK) on leaving the group. The group has general unrestricted reserves of £1,431,407 excluding the revaluation reserve, compared with £3,173,346 the previous year. The trustees have identified that the reserves are at a low level, representing more than 31% (including the revaluation reserve) of annual net resources expended (2020: 36%). The freely available unrestricted reserves were £38,352.

The financial results for the subsidiary entities are shown in note 27 to the accounts.

##### **Reserves**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained as a level equivalent to between three and six months expenditure. The trustees consider the reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

As of November 2021, C3 Trust UK has £402,653 held in a treasury account with Kingdom Bank. This is funds collected from the Waverley Dream Offering and has been kept for future restricted use. Working alongside the Charity Commission, the Trustees continue to progress with the re-evaluation and potential redistribution of this fund. As a result of COVID-19 and various other setbacks, this process continues to experience significant delays.

C3 Trust UK policy in general is to also work towards building three months' worth of cash reserves.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

---

##### **Recent investments**

Given the more recent history and learning which has taken place across the Charity, significant attention and investment has been devoted to health and wellbeing and towards strengthening organisational infrastructure. As well as supporting church leaders and many of their teams through their own journey the Charity has continued to invest in building and strengthening policy and procedure particularly as it related to the safeguarding of staff, volunteers, and the wider congregations. Whilst this is very much a work in progress, policies have been developed to address evident weaknesses in particular employment processes, Equality Diversity & Inclusion and Safeguarding in its wider definition, seeking to elevate the priority and importance of applying people centred policy from the most senior level.

This has been a significant accomplishment, with limited resources and during a period of considerable challenge brought about largely by the COVID-19 pandemic.

Trustees remain committed to investing in change and improvement which will manage risk, promote shared values and healthy culture and provide a sound basis for the future for everyone who has found their home in our churches irrespective of the future structure of the Charity itself.

This is reflected specifically in an intentional and coordinated approach to role-related training and development with learning needs being identified systematically and a programme of training interventions being developed to meet those needs

##### **Goals and Developments**

Last year the Charity embarked on a journey of substantial change, structurally and organisationally. A fundamental part of this has been the intentional empowerment of local churches under a new operational model where Lead Pastors have both greater autonomy and responsibility for local decision making and strategy making. Lead Pastors and local churches are at very different stages of this journey of development, largely influenced by local transitional factors, church strength and overriding risk but are nevertheless making progress to more locally define future plans. Local churches remain accountable, under our current model of governance, to Trustees in order to ensure that local mission, vision, strategy and values are aligned to the overall objects of the Charity and risk is managed and monitored effectively.

There is a concerted effort to outwork an expansive vision for social action at a local level with C3 Hope and C3 YRKS being more established in this field. Any plans will be commensurate with local community vision and the strength of the local church to underpin and resource social action through people, finance, and premises where appropriate.

However, the significant or primary focus for all churches is to define what has been coined as the 'new normal' coming out of the disruption experienced in the past 18 months. A key focus is on cultural change, leading pastorally, re-gathering people, connections, relationships and a sense of corporate family which have been affected since 2020, and developing the primacy of the role of discipleship within the context of the local church.

There are no plans currently to directly acquire (either by purchase or lease) additional property for the use of the Charity in the short to medium term. However, plans for undertaking essential structural maintenance work to the Hope Centre in Sheffield are underway and expected to commence in the coming months, subject to funding confirmations.

In addition, all churches still face challenges associated with the impact of COVID-19 and Trustees are working closely in collaboration with all our churches to manage risk and ensure safe passage through this season.

## C3 TRUST UK

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

The newly reformed CRS department has been instrumental in working alongside, resourcing and supporting the work of local churches and taking the lead of change and improvements relating to aspects of policy and practice with input of both Trustees and the Executive Board.

Equally, the role of C3 in Europe acting as Spiritual Oversight is well established and welcomed amongst Lead Pastors. The role of C3 as a relational network, providing peer-to-peer pastoral care, support and guidance has been greatly valued and appreciated and will continue to complement the work of Trustees.

The Charity is also currently undertaking a consultation primarily with or through Lead Pastors to explore the most appropriate operating model for the future, to understand the implications and timescales associated with a movement from the current model of autonomy towards one in which churches would be able to operate independently and under their own governance and legal structures. The objective in the next year is to establish the case for change, and to create a road map for transition ensuring that change is managed in line with the fiduciary responsibilities held by Trustees and in view of the future vision, strength and capacity of the local churches.

#### **Structure, Governance and Management**

C3 Trust UK is a company limited by guarantee and a registered charity. The Company was incorporated on 15 November 2006 and commenced activities on 1 April 2007 when it took over the assets, liabilities and running of the Church. C3 Trust UK was formerly Hope City Church until its change of name was approved by Charity Commission on 23 September 2021.

The Trustees, who are also directors for the purpose of company law, and who served during the period are:

C Davies	
D A Gilpin	(Resigned 21 June 2020)
P Benger	
C W Davies	
O Olarinde	
J Greenow	(Resigned 7 May 2021)
A E Ibbotson	(Appointed 10 June 2020)
M Muthiah	(Appointed 25 November 2021)
J Hemmingfield	(Appointed 25 November 2021)

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

---

C3 Trust UK is a registered charity which governs a group of churches now exclusively in the UK as of April 2021. Each church has been affiliated with C3 Church Global since 2013 and all seek spiritual oversight from C3 whilst being accountable in charity and company terms to the trustees and directors of C3 Trust UK as an independent and autonomous organisation. Each church belonging to C3 Trust UK has its own local identity.

- C3 Hope – located in Sheffield and serving the Sheffield City Region
- C3 YRKS – located in Leeds and York and serving these cities and the surrounding area
- C3 Sunderland – located in Sunderland and serving this city and the surrounding area
- C3 Liverpool – located in Liverpool and serving this city and the surrounding area
- C3 Newcastle – located in Newcastle and serving this city and the surrounding area
- Hope City Kuala Lumpur – became independent in Malaysia 31 March 2021
- Hope City Frankfurt and Hope City Darmstadt – became independent in Germany 31 March 2021
- C3 Hope City Accra – became independent in Ghana 31 March 2021
- C3 Reflect – located in London (released to form its own independent charity July 2021 – Charity Number 1194463)
- Hope City Birmingham – located in Birmingham and wound-down November 2020

C3 Global is a worldwide community of Christian churches that come together as one movement under the direction and leadership of C3 Church Global Directors and their Team.

In accordance with both the charity's governing documents and C3's recommendations, there are at least three Managing Trustees at any one time and Trustees who are not on the charity's payroll should be in the majority. None of the Trustees have any beneficial interest in the company. All the Trustees are also the Members of the company and guarantee to contribute £1 in the event of a dissolution or winding up. Following recent recommendations, when a Trustee vacancy occurs, potential candidates with the relevant experience, skill set, and expertise will be identified and discussed at Board meetings. Once this process has taken place, one of the Trustees will then approach the prospective candidate, with further due diligence taking place before any official appointment is made.

The Trustee's review payments made to employees in similar managerial positions in other churches and similar organisations when considering the levels of pay for key managers. The Trustees also take into consideration the ability of the charitable company to be able to pay such salaries.

C3 Trust UK is a registered charity (number 1119791), and a company limited by guarantee (number 5999100).

Megacentre Limited is a wholly owned trading subsidiary of C3 Trust UK and operates to both generate funds to resource the wider mission of C3 Trust UK and to deliver the non-primary purpose trading of the charity.

Hope Community Foundation, a company limited by guarantee with separate charitable objects and status is also connected with C3 Trust UK. With its primary focus of operation and area of benefit in Sheffield at the time of this report, it operates an Ofsted Registered Early Years Day Nursery on the Sheffield church premises and a number of community projects intended to deliver the social mission of C3 Trust UK and more specifically its church in Sheffield, C3 Hope.

## **C3 TRUST UK**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

---

Hope Community Foundation has continued to deliver much needed services to the local community in Sheffield throughout the period of the COVID-19, including through its community nursery, recently rebranded as Little Ark Nursery (September 2021) and through a growing number of community projects which since the relaxation of lockdowns have now begun to gain momentum. The addition of a Community Grocery in April 2021, partnering with The Message Trust (Charity Number 1081467) shortly followed by the launch of Hope Hampers Food Bank, partnering with the S6 Foodbank Network in Sheffield have both added significantly to the social impact delivered under the Foundation. In addition, and more recently projects such as Polka Dots Play Group and Jigsaw Café have helped the charity to restart its support for young families and the elderly respectively. The recent launch of the Foundation Café, a 'Pay what you feel' project, aims to provide a connection point from which the social value created through each project can be compounded for beneficiaries.

As a whole, the Trustees have identified and assessed the major risks to which C3 Trust UK is exposed and are satisfied that the mitigation and systems are in place to limit exposure to these risks. This forms part of other improvements made by Trustees to reflect the feedback gained from its internal investigation which was commissioned between June 2020 and February 2021 referred to earlier in this report.

#### **Disclosure of Information to Auditors**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

On behalf of the Board of Trustees

**C Davies**

Trustee

Dated: 24 January 2022

## **C3 TRUST UK**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

---

The trustees, who are also the directors of C3 Trust UK for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF C3 TRUST UK**

### **Opinion**

We have audited the financial statements of C3 Trust UK (the 'charitable company') for the year ended 31 March 2021 which comprise the consolidated Statement of Financial Activities, the parent Statement of Financial Activities, the consolidated Balance Sheet, the parent Balance Sheet, the consolidated Statement of Cash Flows, the parent Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of accounts section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusion relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year of which the accounts are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK (CONTINUED)**

### **Responsibilities of the trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors, enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF C3 TRUST UK  
(CONTINUED)**

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of the Part 16 of the Companies Act 2006. Our audit work has been undertaken, so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Roland Givans (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

**24 January 2022**

**Chartered Accountants  
Statutory Auditor**

## C3 TRUST UK

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income from:</b>							
Donations and gifts	3	1,323,936	285,950	1,609,886	1,758,289	550,290	2,308,579
Charitable activities	4	481,188	-	481,188	6,547,316	-	6,547,316
Other trading activities	5	25,810	-	25,810	103,666	-	103,666
Investments	6	2,374	-	2,374	662	3,275	3,937
Other income	7	842	-	842	852	-	852
<b>Total income</b>		<u>1,834,150</u>	<u>285,950</u>	<u>2,120,100</u>	<u>8,410,785</u>	<u>553,565</u>	<u>8,964,350</u>
<b>Expenditure on:</b>							
Raising funds	8	73,016	849	73,865	139,835	31,391	171,226
Charitable activities	9	1,681,647	229,900	1,911,547	7,488,267	637,920	8,126,187
Other	14	-	-	-	2,300	-	2,300
Grant paid to City Hearts (UK)	10	1,846,492	-	1,846,492	-	-	-
<b>Total expenditure</b>		<u>3,601,155</u>	<u>230,749</u>	<u>3,831,904</u>	<u>7,630,402</u>	<u>669,311</u>	<u>8,299,713</u>
<b>Net incoming/(outgoing) resources before associated undertakings and transfers</b>		(1,767,005)	55,201	(1,711,804)	780,383	(115,746)	664,637
Gross transfers between funds		-	-	-	(30,093)	30,093	-
<b>Net incoming/(outgoing) resources</b>		(1,767,005)	55,201	(1,711,804)	750,290	(85,653)	664,637
<b>Other recognised gains and losses</b>							
Revaluation of tangible fixed assets		(16,902)	-	(16,902)	-	-	-

## C3 TRUST UK

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

---

Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Net movement in funds</b>	(1,783,907)	55,201	(1,728,706)	750,290	(85,653)	664,637
Fund balances at 1 April 2020	<u>2,969,151</u>	<u>429,562</u>	<u>3,398,713</u>	<u>2,218,861</u>	<u>515,215</u>	<u>2,734,076</u>
<b>Fund balances at 31 March 2021</b>	<u>1,185,244</u>	<u>484,763</u>	<u>1,670,007</u>	<u>2,969,151</u>	<u>429,562</u>	<u>3,398,713</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

## C3 TRUST UK

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
<b><u>Income from:</u></b>							
Donations and gifts	3	1,277,845	249,866	1,527,711	1,719,786	491,515	2,211,301
Charitable activities	4	279,868	-	279,868	351,202	-	351,202
Other trading activities	5	1,582	-	1,582	22,670	-	22,670
Investments	6	2,374	-	2,374	105	3,275	3,380
Other income	7	842	-	842	446	-	446
<b>Total income</b>		<b>1,562,511</b>	<b>249,866</b>	<b>1,812,377</b>	<b>2,094,209</b>	<b>494,790</b>	<b>2,588,999</b>
<b><u>Expenditure on:</u></b>							
Raising funds	8	16,175	849	17,024	14,557	31,391	45,948
Charitable activities	9	1,428,020	213,024	1,641,044	2,012,427	356,018	2,368,445
Other	14	26,950	-	26,950	30,850	-	30,850
<b>Total expenditure</b>		<b>1,471,145</b>	<b>213,873</b>	<b>1,685,018</b>	<b>2,057,834</b>	<b>387,409</b>	<b>2,445,243</b>
<b>Net incoming resources before transfers</b>		<b>91,366</b>	<b>35,993</b>	<b>127,359</b>	<b>36,375</b>	<b>107,381</b>	<b>143,756</b>
Gross transfers between funds		-	-	-	143,794	(143,794)	-
<b>Net incoming/(outgoing) resources</b>		<b>91,366</b>	<b>35,993</b>	<b>127,359</b>	<b>180,169</b>	<b>(36,413)</b>	<b>143,756</b>
<b><u>Other recognised gains and losses</u></b>							
Revaluation of tangible fixed assets		(16,902)	-	(16,902)	-	-	-
<b>Net movement in funds</b>		<b>74,464</b>	<b>35,933</b>	<b>110,457</b>	<b>180,169</b>	<b>(36,413)</b>	<b>143,756</b>

## C3 TRUST UK

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

---

Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Fund balances at 1 April 2020	<u>1,163,204</u>	<u>429,562</u>	<u>1,592,766</u>	<u>983,035</u>	<u>465,975</u>	<u>1,449,010</u>
<b>Fund balances at 31 March 2021</b>	<u><b>1,237,668</b></u>	<u><b>465,555</b></u>	<u><b>1,703,223</b></u>	<u><b>1,163,204</b></u>	<u><b>429,562</b></u>	<u><b>1,592,766</b></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# C3 TRUST UK

## CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2021

---

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		1,981,186		2,542,243
<b>Current assets</b>					
Stocks	16	150		1,050	
Debtors	17	51,539		944,524	
Cash at bank and in hand		<u>726,889</u>		<u>1,290,740</u>	
		778,578		2,236,314	
<b>Creditors: amounts falling due within one year</b>	18	<u>(308,514)</u>		<u>(450,978)</u>	
Net current assets			<u>470,064</u>		<u>1,785,336</u>
<b>Total assets less current liabilities</b>			2,451,250		4,327,579
<b>Creditors: amounts falling due after one year</b>	19		<u>(781,243)</u>		<u>(928,866)</u>
<b>Net assets</b>			<u>1,670,007</u>		<u>3,398,713</u>
<b>Income funds</b>					
Restricted funds	22		484,763		429,562
<u>Unrestricted funds:</u>					
Retained within the charity		1,431,407		3,173,346	
Revaluation reserve		<u>359,525</u>		<u>376,427</u>	
			1,790,932		3,549,773
Non-charitable trading funds			<u>(605,688)</u>		<u>(580,622)</u>
			<u>1,670,007</u>		<u>3,398,713</u>

The financial statements were approved by the board of directors and authorised for issue on 24 January 2022 and are signed on its behalf by:

C Davies  
Trustee

Company Registration No. 5999100

# C3 TRUST UK

## BALANCE SHEET

AS AT 31 MARCH 2021

---

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		1,979,863		2,078,564
<b>Current assets</b>					
Stocks	16	100		1,000	
Debtors	17	45,019		100,625	
Cash at bank and in hand		<u>685,835</u>		<u>492,282</u>	
		730,954		593,907	
<b>Creditors: amounts falling due within one year</b>	18	<u>(276,351)</u>		<u>(320,348)</u>	
Net current assets			<u>454,603</u>		<u>273,559</u>
<b>Total assets less current liabilities</b>			2,434,466		2,352,123
<b>Creditors: amounts falling due in more than one year</b>	19		<u>(731,243)</u>		<u>(759,357)</u>
<b>Net assets</b>			<u>1,703,223</u>		<u>1,592,766</u>
<b>Income funds</b>					
Restricted funds	22		465,555		429,562
<u>Unrestricted funds:</u>					
General unrestricted funds		774,135		682,769	
Revaluation reserve		<u>463,533</u>		<u>480,435</u>	
			<u>1,237,668</u>		<u>1,163,204</u>
			<u>1,703,223</u>		<u>1,592,766</u>

The financial statements were approved by the board of directors and authorised for issue on 24 January 2022 and are signed on its behalf by:

C Davies  
Trustee

Company Registration No. 5999100

## C3 TRUST UK

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Group			
		2021	2021	2020	2020
		£	£	£	£
<b>Cash flow from operating activities</b>					
Cash generated from operations	28		(546,082)		621,819
<b>Investing activities</b>					
Purchase of tangible fixed assets		(43,597)		(542,792)	
Proceeds on disposal of tangible fixed assets		842		446	
Interest received		<u>2,374</u>		<u>3,937</u>	
<b>Net cash (used in)/ generated from investing activities</b>			(40,381)		(538,409)
<b>Financing activities</b>					
Proceeds of new bank loans		50,000		-	
Repayment of bank loans		<u>(27,388)</u>		<u>(58,430)</u>	
<b>Net cash (used in)/generated from financing activities</b>			<u>22,612</u>		<u>(58,430)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(563,851)		24,980
Cash and cash equivalents at beginning of year			<u>1,290,740</u>		<u>1,265,760</u>
<b>Cash and cash equivalents at end of year</b>			<u><u>726,889</u></u>		<u><u>1,290,740</u></u>
		Charity			
		2021	2021	2020	2020
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	28		261,322		369,817
<b>Investing activities</b>					
Purchase of tangible fixed assets		(43,597)		(480,064)	
Proceeds on disposal of tangible fixed assets		842		446	
Interest received		<u>2,374</u>		<u>3,380</u>	
<b>Net cash (used in)/ generated from investing activities</b>			(40,381)		(476,238)
<b>Financing activities</b>					
Repayment of bank loans		<u>(27,388)</u>		<u>(51,556)</u>	
<b>Net cash used in financing activities</b>			<u>(27,388)</u>		<u>(51,556)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			193,553		(157,977)
Cash and cash equivalents at beginning of year			<u>492,282</u>		<u>650,259</u>
<b>Cash and cash equivalents at end of year</b>			<u><u>685,835</u></u>		<u><u>492,282</u></u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

### 1 Accounting policies

#### Company information

C3 Trust UK, formerly Hope City Church, is a private company limited by guarantee incorporated in England and Wales. The registered office is The Megacentre, Bernard Road, Sheffield, S2 5BQ.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the main functional currency of the company. The charity also has Ghanaian Cedi and Malaysian Ringgit as functional currencies. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and leasehold properties. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In making that assessment, the trustees have specifically considered the impact of the coronavirus on the operations of the charity, alongside actions taken to mitigate that impact. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

#### 1.4 Incoming resources

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable except insofar as they are incapable of financial measurement. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Rental income, income from the sale of resources, investment income and income from charitable activities is included in the year in which it is receivable.

Turnover from Megacentre Limited activities represents amounts receivable for goods and services net of VAT.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1.5 Resources expended**

Resources expended are recognised in the year in which they are incurred.

Charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes grants made to projects, costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Costs of generating funds relate to costs incurred by trading subsidiaries.

Grant expenditure is included based on the date that individual projects' expenditure has been incurred, rather than the date that the grants are defrayed to the projects.

Governance costs included those costs associated with meeting constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource, and include irrecoverable VAT.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	-	2% straight line
Leasehold buildings	-	2%/ 33% straight line
Fixtures, fittings and equipment	-	20%/ 33.33% straight line
Motor vehicles	-	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Fixed assets costing less than £500 are not capitalised.

**1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.8 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1.8 Impairment of fixed assets (continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.9 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**1.10 Leasing and hire purchase commitments**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**1.11 Pensions**

The charity operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

**1.12 Basis of consolidation**

The financial statements consolidate the accounts of C3 Trust UK and all of its subsidiary undertakings ('subsidiaries').

**1.13 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities.

**1.14 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1.14 Financial instruments (continued)**

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortisation cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1.14 Financial instruments (continued)**

*Derecognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.15 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Valuation of land and buildings**

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are as follows.

The charity has revalued its land and buildings and depreciated from each revaluation. The trustees will ensure that valuations will be made regularly and will review the values of the land and buildings shown in the accounts each year to make a judgement as to whether any evidence exists that their values are materially different to the values in the financial statements. This may take into account the state of the fabric of the buildings and the conditions in the market for the types of property owned.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 3 Donations and gifts

	<b>Group</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and gifts	1,263,765	285,950	1,549,715	1,758,289	550,290	2,308,579
Coronavirus Job Retention Scheme	<u>60,171</u>	-	<u>60,171</u>	-	-	-
	<u>1,323,936</u>	<u>285,950</u>	<u>1,609,886</u>	<u>1,758,289</u>	<u>550,290</u>	<u>2,308,579</u>

  

	<b>Charity</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and gifts	1,261,465	249,866	1,511,331	1,719,786	491,515	2,211,301
Coronavirus Job Retention Scheme	-	-	-	-	-	-
	<u>16,380</u>	-	<u>16,380</u>	-	-	-
	<u>1,277,845</u>	<u>249,866</u>	<u>1,527,711</u>	<u>1,719,786</u>	<u>491,515</u>	<u>2,211,301</u>

#### 4 Charitable activities

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sales within charitable activities	241,797	399,001	5,902	92,027
Services provided under contract	-	6,131,648	-	-
Charitable rental income, recharges and other income	<u>239,391</u>	<u>16,667</u>	<u>273,966</u>	<u>259,175</u>
	<u>481,188</u>	<u>6,547,316</u>	<u>279,868</u>	<u>351,202</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 5 Other trading activities

	Group	
	2021	2020
	£	£
Megacentre Limited	24,228	80,996
Sales of books and resources	<u>1,582</u>	<u>22,670</u>
	<u>25,810</u>	<u>103,666</u>
	Charity	
	2021	2020
	£	£
Sales of books and resources	<u>1,582</u>	<u>22,670</u>

#### 6 Investments

	Group					
	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
Interest receivable	<u>2,374</u>	<u>-</u>	<u>2,374</u>	<u>662</u>	<u>3,275</u>	<u>3,937</u>
	Charity					
	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
Interest receivable	<u>2,374</u>	<u>-</u>	<u>2,374</u>	<u>105</u>	<u>3,275</u>	<u>3,380</u>

#### 7 Other income

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Gain on disposal of tangible fixed assets	842	446	842	446
Sundry income	<u>-</u>	<u>406</u>	<u>-</u>	<u>-</u>
	<u>842</u>	<u>852</u>	<u>842</u>	<u>446</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 8 Raising funds

	<b>Group</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<u>Fundraising and publicity</u>						
Seeking donations, grants and legacies	-	-	-	-	2,831	2,831
Staging fundraising events	<u>15,001</u>	<u>849</u>	<u>15,850</u>	-	<u>28,552</u>	<u>28,552</u>
Fundraising and publicity	<u>15,001</u>	<u>849</u>	<u>15,850</u>	-	<u>31,383</u>	<u>31,383</u>
<u>Trading costs</u>						
Other trading activities	<u>58,015</u>	-	<u>58,015</u>	<u>139,835</u>	<u>8</u>	<u>139,843</u>
	<u>73,016</u>	<u>849</u>	<u>73,865</u>	<u>139,835</u>	<u>31,391</u>	<u>171,226</u>

Raising funds include payments to the auditors of £1,750 (2020: £1,750) for services not connected to the charity and consolidated group accounts.

	<b>Charity</b>					
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<u>Fundraising and publicity</u>						
Seeking donations, grants and legacies	-	-	-	-	2,831	2,831
Staging fundraising events	<u>15,001</u>	<u>849</u>	<u>15,850</u>	-	<u>28,552</u>	<u>28,552</u>
Fundraising and publicity	<u>15,001</u>	<u>849</u>	<u>15,850</u>	-	<u>31,383</u>	<u>31,383</u>
<u>Trading costs</u>						
Other trading activities	<u>1,174</u>	-	<u>1,174</u>	<u>14,557</u>	<u>8</u>	<u>14,565</u>
	<u>16,175</u>	<u>849</u>	<u>17,024</u>	<u>14,557</u>	<u>31,391</u>	<u>45,948</u>

C3 TRUST UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

9 Charitable activities

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Staff costs	971,151	4,296,938	751,483	896,441
Depreciation and impairment	126,238	142,289	125,396	103,185
Church departments and events	10,944	86,076	10,944	86,076
Minister's consultancy fees	7,625	31,575	7,625	31,575
Food and drink	8,106	61,780	-	-
Activities and outings	137	32,313	-	-
City Hearts allowances	-	850,992	-	-
Hospitality and gifts	19,001	128,307	19,001	128,307
Rent, rates, and service charges	211,316	572,380	211,316	292,855
Insurance and utilities	90,026	194,744	88,468	107,002
Repairs and cleaning	140,293	490,447	135,038	239,815
Hire of office equipment	17,364	52,892	17,364	52,892
Subscriptions	22,885	47,861	22,885	42,346
Postage, stationery and adverts	12,493	70,801	10,075	50,650
Telephone and fax	8,377	80,214	8,377	22,699
Motor and travel expenses	16,271	488,651	16,271	128,160
Bad and doubtful debts	3,964	5,392	-	-
Educational activities	3,337	6,873	-	-
Legal, professional and consultancy fees	135,556	253,882	125,003	88,204
Staff recruitment and training	1,661	47,087	-	-
Catering costs	4,401	11,747	-	-
General expenses	77,374	105,186	70,113	65,283
Bank interest and charges	19,003	38,581	17,661	26,403
AKW costs	-	21,907	-	-
	<u>1,907,523</u>	<u>8,118,915</u>	<u>1,637,020</u>	<u>2,361,893</u>
Grant funding of activities (see note 10)	-	3,872	-	3,152
Share of governance costs (see note 11)	<u>4,024</u>	<u>3,400</u>	<u>4,024</u>	<u>3,400</u>
	<u>1,911,547</u>	<u>8,126,187</u>	<u>1,641,044</u>	<u>2,368,445</u>
<b>Analysis by fund</b>				
Unrestricted funds	1,681,647	7,488,267	1,428,020	2,012,427
Restricted funds	<u>229,900</u>	<u>637,920</u>	<u>213,024</u>	<u>356,018</u>
	<u>1,911,547</u>	<u>8,126,187</u>	<u>1,641,044</u>	<u>2,368,445</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 10 Grants payable

	Group	
	2021	2020
	£	£
Grants to institutions	-	3,772
Grants to individuals	<u>-</u>	<u>100</u>
	<u>-</u>	<u>3,872</u>

A grant of £1,846,492 was paid to City Hearts (UK) on leaving the C3 Trust UK group.

	Charity	
	2021	2020
	£	£
Grants to institutions	-	3,052
Grants to individuals	<u>-</u>	<u>100</u>
	<u>-</u>	<u>3,152</u>

#### 11 Support costs

	Group and Charity					
	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Audit fees	<u>-</u>	<u>4,024</u>	<u>4,024</u>	<u>-</u>	<u>3,400</u>	<u>3,400</u>
	<u>-</u>	<u>4,024</u>	<u>4,024</u>	<u>-</u>	<u>3,400</u>	<u>3,400</u>
Analysed between Charitable activities	<u>-</u>	<u>4,024</u>	<u>4,024</u>	<u>-</u>	<u>3,400</u>	<u>3,400</u>

##### Group

Governance costs includes payments to the auditors of £4,024 (2020: £3,400) for audit fees. Charitable activities costs includes payments of £7,280 (2020: £14,060) to the auditors for other services.

##### Charity

Governance costs includes payments to the auditors of £4,024 (2020: £3,400) for audit fees. Charitable activities costs includes payments of £5,000 (2020: £5,000) to the auditors for other services.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

---

#### 12 Trustees

D A Gilpin received emoluments of £11,213 (2020: £44,854) and pension contributions of £2,793 (2020: £11,174) during the year and invoiced the church for his services through his company Dagarte Limited. The total charges for ministry, advisory and other services paid to Dagarte Limited were £7,625 (2020: £31,575). His wife was also an employee of the church and received £4,160 (2020: £16,640) for work carried out under contracts of employment.

C Davies received emoluments of £31,614 (2020: £43,333) and pension contributions of £1,750 (2020: £1,350) during the year. A company owned and controlled by C Davies and his wife received £11,155 (2020: £1,101) for providing payroll and consultancy services to the charity. They received £13,305 (2020: £6,031) for providing payroll and consultancy services to the group. C Davies and his wife made donations totaling £16,380 (2020: £12,040) to the church with donations being made personally by both of them and also through making donations from their business.

The wife of C W Davies received £nil (2020: £1,043) for speaking at and holding worship sessions.

None of the other trustees received emoluments during the year (2020: £nil).

No other trustees received any other benefits during the year (2020: £nil).

The church's constitution expressly permits trustees to be remunerated provided certain conditions are met.

#### 13 Employees

##### Number of employees

The average number of employees during the year was:

	Group		Charity	
	2021 Number	2020 Number	2021 Number	2020 Number
Trustees of C3 Trust UK	6	6	6	6
Trustees / directors of subsidiaries	3	8	-	-
Employees	<u>65</u>	<u>226</u>	<u>33</u>	<u>40</u>
	<u>74</u>	<u>240</u>	<u>39</u>	<u>46</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 13 Employees (continued)

##### Employment costs

	Raising funds		Charitable activities		Group	
	2021	2020	2021	2020	Raising funds	Charitable activities
	£	£	£	£	£	£
Wages and salaries	24,249	888,868	913,117	47,322	3,901,332	3,948,654
Social security costs	1,355	50,350	51,705	2,554	274,110	276,664
Other pension costs	<u>558</u>	<u>31,933</u>	<u>32,491</u>	<u>836</u>	<u>121,496</u>	<u>122,332</u>
	<u>26,162</u>	<u>971,151</u>	<u>997,313</u>	<u>50,712</u>	<u>4,296,938</u>	<u>4,347,650</u>
					Charity	
					2021	2020
					£	£
Wages and salaries					684,552	796,088
Social security costs					40,135	55,394
Other pension costs					<u>26,796</u>	<u>44,959</u>
					<u>751,483</u>	<u>896,441</u>
					Group and Charity	
					2021	2020
The number of employees whose annual remuneration was £60,000 or more were;						
			£80,001 to £90,000		=	<u>1</u>

Contributions totalling £nil (2020: £11,174) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

#### 14 Other

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bad debts	<u>-</u>	<u>2,300</u>	<u>26,950</u>	<u>30,850</u>
	<u>-</u>	<u>2,300</u>	<u>26,950</u>	<u>30,850</u>



## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 15 Tangible fixed assets (continued)

Some of the church's freehold land and buildings were externally revalued at £1,475,000 at their open market value in December 2017 by Cushman and Wakefield, Chartered Surveyors. Improvements made since 31 March 2007 are included at a cost less accumulated depreciation. Improvements to leasehold premises with a net book value of £29,656 are included within the fixed assets of Hope Community Foundation (a charitable company controlled by C3 Trust UK) which has a sublease on part of the premises. The trustees are of the opinion that the value at 31 March 2020 would not differ significantly from this valuation.

Another of the church's freehold properties was externally revalued at £160,000 at their open market value in February 2019 by Reeds Rains, Estate Agents. The property was sold on 1 April 2021 for £140,000.

#### Group

Some of the charity's leasehold and freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2021 amounting to 57% (2020: 55%) of their net book value as stated in these accounts.

#### Charity

Some of the charity's leasehold and freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2021 amounting to 57% (2020: 57%) of their net book value as stated in these accounts.

#### Comparable historical cost for the land and buildings included at valuation:

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Cost	1,652,496	1,652,496	1,536,586	1,536,586
Accumulated depreciation	<u>661,062</u>	<u>628,265</u>	<u>576,894</u>	<u>556,178</u>
At 31 March 2021	<u>991,434</u>	<u>1,024,231</u>	<u>959,692</u>	<u>990,408</u>

All other tangible fixed assets are stated at historical cost.

#### 16 Stocks

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Goods for resale	<u>150</u>	<u>1,050</u>	<u>100</u>	<u>1,000</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 17 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	11,363	858,690	5,052	20,790
Amounts due from subsidiary undertakings	-	-	1,688	18,688
Other debtors	30,551	61,418	29,304	47,241
Prepayments and accrued income	<u>9,619</u>	<u>24,416</u>	<u>8,975</u>	<u>13,906</u>
	<u>51,539</u>	<u>944,524</u>	<u>45,019</u>	<u>100,625</u>

#### 18 Creditors: amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loans and overdrafts	60,695	70,878	53,051	52,325
Trade creditors	51,232	88,930	43,599	56,832
Amounts owed to group undertakings	-	-	-	154,617
Taxation and social security	4,155	63,811	4,155	11,592
Other creditors	165,283	116,670	153,501	27,101
Accruals	16,911	43,558	11,807	17,881
Deferred income	<u>10,238</u>	<u>67,131</u>	<u>10,238</u>	<u>-</u>
	<u>308,514</u>	<u>450,978</u>	<u>276,351</u>	<u>320,348</u>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 19 Creditors: amounts falling due after more than one year

	Group	
	2021	2020
	£	£
Mortgage and loan	<u>781,243</u>	<u>928,866</u>
<b>Analysis of mortgage and loan</b>		
Not wholly repayable within five years by instalments	508,872	677,799
Wholly repayable within five years	<u>325,422</u>	<u>310,380</u>
	834,294	988,179
Included in current liabilities	<u>(53,051)</u>	<u>(59,313)</u>
	<u>781,243</u>	<u>928,866</u>
<b>Loan maturity analysis</b>		
Debt due in one year or less	53,051	59,313
In more than one year but not more than two years	64,048	60,659
In more than two years but not more than five years	208,324	190,408
In more than five years	<u>508,872</u>	<u>677,799</u>
	<u>834,294</u>	<u>988,179</u>

The mortgages are secured by first legal charges over the group's freehold and leasehold land and buildings.

	Charity	
	2021	2020
	£	£
Mortgage	<u>731,243</u>	<u>759,357</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments	508,872	539,529
Wholly repayable within five years	<u>275,422</u>	<u>272,153</u>
	784,294	811,682
Included in current liabilities	<u>(53,051)</u>	<u>(52,325)</u>
	<u>731,243</u>	<u>759,357</u>
<b>Loan maturity analysis,</b>		
Debt due in one year or less	53,051	52,325
In more than one year but not more than two years	54,048	53,357
In more than two years but not more than five years	168,324	166,471
In more than five years	<u>508,872</u>	<u>539,529</u>
	<u>784,294</u>	<u>811,682</u>

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

---

#### 20 Deferred income

	Group and Charity	
	2021	2020
	£	£
Other deferred income	<u>10,238</u>	<u>-</u>

#### 21 Pension and other post-retirement benefit commitments

##### Defined contribution

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Contributions payable by the group and charity for the year	<u>32,491</u>	<u>122,332</u>	<u>17,681</u>	<u>23,153</u>

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the fund.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	<b>Group Movement in funds</b>							
	<b>Balance at 1 April 2019 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 31 March 2021 £</b>
Dream Offering	465,975	494,790	(387,409)	(143,794)	429,562	249,866	(213,873)	465,555
ISP Project	29,240	-	(175,191)	145,951	-	-	-	-
Henry Smith Charity	-	-	-	-	-	16,550	(6,763)	9,787
Hope Hampers	-	-	-	-	-	11,905	(10,113)	1,792
Neon Schools Programme	-	-	-	-	-	4,629	-	4,629
Befriending/ Jigsaw Services	-	-	-	-	-	3,000	-	3,000
Antislavery Knowledge Network	<u>20,000</u>	<u>58,775</u>	<u>(106,711)</u>	<u>27,936</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>515,215</u>	<u>553,565</u>	<u>(669,311)</u>	<u>30,093</u>	<u>429,562</u>	<u>285,950</u>	<u>(230,749)</u>	<u>484,763</u>

	<b>Charity Movement in funds</b>							
	<b>Balance at 1 April 2019 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 31 March 2021 £</b>
Dream Offering	<u>465,975</u>	<u>494,790</u>	<u>(387,409)</u>	<u>(143,794)</u>	<u>429,562</u>	<u>249,866</u>	<u>(213,873)</u>	<u>465,555</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**22 Restricted funds (continued)**

The Dream Offering was an offering made with the intention of raising funds to fund the future development of each of the church's locations. Each location has its own forward looking plan and the Dream Offering is therefore appropriated and allocated against the specific requirements of each location. In some instances this will relate to the purchase or refurbishment of premises and in others securing the medium to long term future of the congregation by enabling the hiring of venues.

The Integration Support Programme aims to support male victims of human trafficking to connect with their community and reintegrate into the labour market. The programme seeks to empower, 'up-skill' and inspire each individual to take hold of a pathway to employment and to engage effectively with their local community, moving them towards full independence. The charity provided coaching and guidance and encourage individuals to manage their own lives independently. This was achieved through weekly coaching sessions, befriending activities, classroom work, work placement and training.

The Antislavery Knowledge Network offers the extended effort to address slavery as a core development challenge in sub-Saharan Africa via innovative approaches from the arts and humanities that deliver community-engaged antislavery work. This involves classroom based sessions utilising visual arts and photography and collaborating with local schools engaging with and building upon the existing City Hearts education programme.

The charity received the first drawdown of a three year grant from the Henry Smith Charity. The grant has been awarded to assist with capacity building or projects and to strengthen the role of volunteering in the charity and has funded a Volunteer Coordinator for the whole of the period of the funding.

Various funders contributed to our efforts to tackle the immediate impact of COVID-19 by providing emergency food provision through our Hope Hampers project up to April 2021 to those affected either directly or indirectly.

In order to contribute to a planned project working with young people in schools, funds were raised largely through Aviva Community Fund to the Neon Schools Programme. This project has not yet commenced due to COVID-19 restrictions and the impact in schools but funds are scheduled to be allocated in the financial year 2021/22.

Our work with the elderly went online during the periods of national and local lockdown hence funds raised for our Jigsaw project in financial year 2020/21 have remained unspent. As Jigsaw is now re-launched our plan is to apply this fund to the project over the coming 12 months.



**C3 TRUST UK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**23 Analysis of net assets between funds (continued)**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Charity			Total 2020 £
			Total 2021 £	Unrestricted	Restricted	
				funds 2020 £	funds 2020 £	
Fund balances at 31 March 2021 are represented by:						
Tangible assets	1,979,863	-	1,979,863	2,078,564	-	2,078,564
Current assets/(liabilities)	(3,952)	458,555	454,603	(156,003)	429,562	273,559
Long term liabilities	<u>(731,243)</u>	-	<u>(731,243)</u>	<u>(759,357)</u>	-	<u>(759,357)</u>
	<u>1,244,668</u>	<u>458,555</u>	<u>1,703,223</u>	<u>1,163,204</u>	<u>429,562</u>	<u>1,592,766</u>

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Charity		Total 2020 £
				Unrestricted	Restricted	
				funds 2020 £	funds 2020 £	
Unrealised gains included above:						
On tangible fixed assets	<u>463,533</u>	-	<u>463,533</u>	<u>480,435</u>	-	<u>480,435</u>
	<u>463,533</u>	-	<u>463,533</u>	<u>480,435</u>	-	<u>480,435</u>
Reconciliation of movements in unrealised gains:						
Unrealised gains at 1 April 2020	480,435	-	480,435	480,435	-	480,435
Revaluation of tangible fixed asset	<u>(16,902)</u>	-	<u>(16,902)</u>	-	-	-
Unrealised gains at 31 March 2021	<u>463,533</u>	-	<u>463,533</u>	<u>480,435</u>	-	<u>480,435</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**24 Operating lease commitments**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Within one year	99,999	146,569	97,129	100,340
Between two and five years	330,768	378,499	330,768	375,629
In over five years	<u>161,875</u>	<u>217,375</u>	<u>161,875</u>	<u>217,375</u>
	<u>592,642</u>	<u>742,443</u>	<u>589,772</u>	<u>693,344</u>

**Capital commitments**

The group and charity had no capital commitments at 31 March 2021.

**25 Events after the reporting date**

As referred to in the going concern section of the accounting policies, the trustees are monitoring the situation concerning the coronavirus and any impact it may have on the charity. Given the current uncertainties, any longer term financial effect cannot be estimated.

**26 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel, none of whom were trustees, is as follows.

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Aggregate compensation	<u>58,704</u>	<u>131,902</u>	<u>43,368</u>	<u>45,440</u>

The trustees review payments made to employees in similar managerial positions in other churches and similar organisations when considering the levels of pay for key managers. The trustees also take into consideration the ability of the charitable company to be able to pay such salaries.

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 27 Subsidiaries

These financial statements are separate company financial statements for C3 Trust UK.

The charity has control of 100% of the assets and trade of **Hope Community Foundation**, formerly Hope City Foundation, a charitable company limited by guarantee. The company operates as a children's nursery on church premises utilising assets purchased by the charity and does other community based activities. Hope Community Foundation became a registered charity in March 2004 (charity number 1102542). At the year-end Hope Community Foundation had net assets of £16,162 (2020: £17,075). During the year ended 31 March 2021 its total incoming resources were £309,923 (2020: £307,110) and its total resources expended were £310,836 (2020: £357,118) leaving a net decrease in funds of £913 (2020: £50,008).

C3 Trust UK owns 100% of the ordinary share capital of **Megacentre Limited**, a trading company which generates funds for the church. Megacentre Limited began trading on 1 April 2003, it operates from church premises and its principal activity is the letting of conference facilities and running a children's play area and café. At 31 March 2021 the net liabilities of Megacentre were £605,588 (2020: £580,622). Its turnover for the year ended 31 March 2021 was £24,228 (2020: £80,996) and its total resources expended were £49,194 (2020: £116,185) leaving a loss for the year of £24,966 (2020: £35,189).

**City Hearts (UK)** left the C3 Trust UK group on 1 April 2020.

#### 28 Cash generated from operations

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Surplus/(deficit) for the year	(1,711,804)	664,637	127,359	143,756
Adjustments for:				
Investment income recognised in statement of financial activities	(2,374)	(3,937)	(2,374)	(3,380)
Gain on disposal of tangible fixed assets	(842)	(446)	(842)	(446)
Depreciation and impairment of tangible fixed assets	126,238	143,019	125,396	103,185
Net cash flow from City Hearts (UK) leaving the group	281,096	-	-	-
Movements in working capital:				
Decrease in stock	900	4,450	900	4,000
Decrease/(increase) in debtors	892,985	(173,376)	55,606	4,520
(Decrease)/increase in creditors	(75,388)	(8,724)	(54,961)	118,182
Increase/(decrease) in deferred income	<u>(56,893)</u>	<u>(3,804)</u>	<u>10,238</u>	<u>-</u>
<b>Cash generated from/(absorbed by) operations</b>	<b><u>(546,082)</u></b>	<b><u>621,819</u></b>	<b><u>261,322</u></b>	<b><u>369,817</u></b>

## C3 TRUST UK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

---

#### 29 Analysis of changes in net (debt)/funds

	<b>At 1 April 2020 £</b>	<b>Group Cash flows £</b>	<b>At 31 March 2021 £</b>
Cash at bank and in hand	1,290,740	(563,851)	726,889
Loans falling due within one year	(70,878)	10,183	(60,695)
Loans falling due after more than one year	<u>(928,866)</u>	<u>147,623</u>	<u>(781,243)</u>
	<u>290,996</u>	<u>(406,045)</u>	<u>(115,049)</u>

  

	<b>At 1 April 2020 £</b>	<b>Charity Cash flows £</b>	<b>At 31 March 2021 £</b>
Cash at bank and in hand	492,282	193,553	685,835
Loans falling due within one year	(52,325)	(726)	(53,051)
Loans falling due after more than one year	<u>(759,357)</u>	<u>28,114</u>	<u>(731,243)</u>
	<u>(319,400)</u>	<u>220,941</u>	<u>(98,459)</u>