

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

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

C3 TRUST UK

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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
TOTALS	1867	1965	690

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.

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 ft² 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

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)

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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 ft² 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.

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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 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 £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,

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 Bengier (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)

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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 £
<u>Income from:</u>							
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
Total income		<u>1,556,882</u>	<u>73,567</u>	<u>1,630,449</u>	<u>1,568,498</u>	<u>139,467</u>	<u>1,707,965</u>
<u>Expenditure on:</u>							
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)		-	-	-	-	-	-
Total expenditure		<u>1,792,357</u>	<u>145,660</u>	<u>1,938,017</u>	<u>1,690,492</u>	<u>146,439</u>	<u>1,836,931</u>
Net incoming/(outgoing) resources before associated undertakings and transfers		(235,475)	(72,093)	(307,568)	(121,994)	(6,972)	(128,966)
Gross transfers between funds		<u>393,419</u>	<u>(393,419)</u>	-	<u>(60)</u>	<u>60</u>	-
Net incoming/(outgoing) resources		157,944	(465,512)	(307,568)	(122,054)	(6,912)	(128,966)
Other recognised gains and losses							
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 £
Net movement in funds		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>
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>

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 £
<u>Income from:</u>							
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
Total income		<u>1,167,509</u>	<u>30,000</u>	<u>1,197,509</u>	<u>1,217,036</u>	<u>30,000</u>	<u>1,247,036</u>
<u>Expenditure on:</u>							
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
Total expenditure		<u>1,408,260</u>	<u>99,754</u>	<u>1,508,014</u>	<u>1,339,727</u>	<u>34,871</u>	<u>1,374,598</u>
Net incoming/(outgoing) resources before associated undertakings and transfers		(240,751)	(69,754)	(310,505)	(122,691)	(4,871)	(127,562)
Gross transfers between funds		<u>390,930</u>	<u>(390,930)</u>	-	-	-	-
Net incoming/(outgoing) resources		150,179	(460,684)	(310,505)	(122,691)	(4,871)	(127,562)
Other recognised gains and losses							
Revaluation of tangible fixed assets		<u>850</u>	-	<u>850</u>	-	-	-
Net movement in funds		151,029	(460,684)	(309,655)	(122,691)	(4,871)	(127,562)

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>
Fund balances at 31 March 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>

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 £
Fixed assets			
Tangible assets	15	1,688,112	1,700,300
Current assets			
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
Creditors: amounts falling due within one year	18	<u>(172,222)</u>	<u>(131,911)</u>
Net current assets		<u>228,030</u>	<u>559,986</u>
Total assets less current liabilities		1,916,142	2,260,286
Creditors: amounts falling due after one year	19	<u>(681,819)</u>	<u>(719,245)</u>
Net assets		<u>1,234,323</u>	<u>1,541,041</u>
Income funds			
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 £
Fixed assets			
Tangible assets	15	1,687,113	1,698,492
Current assets			
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
Creditors: amounts falling due within one year	18	<u>(138,138)</u>	<u>(99,493)</u>
Net current assets		<u>224,040</u>	<u>550,581</u>
Total assets less current liabilities		1,911,153	2,249,073
Creditors: amounts falling due in more than one year	19	<u>(645,147)</u>	<u>(673,412)</u>
Net assets		<u>1,266,006</u>	<u>1,575,661</u>
Income funds			
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		Charity	
		2023	2022	2023	2022
		£	£	£	£
Cash flow from operating activities					
Cash generated from operations	27		(219,992)		(164,867)
Investing activities					
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>		
Net cash (used in)/ generated from investing activities			(33,248)		133,152
Financing activities					
Repayment of bank loans		(50,780)	(56,833)		
Payment of obligations under finance lease		<u>(1,562)</u>	<u>-</u>		
Net cash (used in)/generated from financing activities			<u>(52,342)</u>		<u>(56,833)</u>
Net (decrease)/increase in cash and cash equivalents			(305,582)		(88,548)
Cash and cash equivalents at beginning of year			<u>638,341</u>		<u>726,889</u>
Cash and cash equivalents at end of year			<u>332,759</u>		<u>638,341</u>
		Charity			
		2023	2022	2023	2022
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	27		(222,086)		(164,108)
Investing activities					
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>		
Net cash (used in)/ generated from investing activities			(33,248)		134,724
Financing activities					
Repayment of bank loans		(45,784)	(56,833)		
Payment of obligations under finance lease		<u>(1,561)</u>	<u>-</u>		
Net cash used in financing activities			<u>(47,345)</u>		<u>(56,833)</u>
Net (decrease)/increase in cash and cash equivalents			(302,679)		(86,217)
Cash and cash equivalents at beginning of year			<u>599,618</u>		<u>685,835</u>
Cash and cash equivalents at end of year			<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.

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

3 Donations and gifts

	Group					
	Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds	Total 2022
	£	£	£	£	£	£
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>

	Charity					
	Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds	Total 2022
	£	£	£	£	£	£
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

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
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
		£	£	£	£	£
Interest receivable		<u>1,611</u>	<u>-</u>	<u>1,611</u>	<u>818</u>	<u>-</u>

		Charity				
		Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds
		£	£	£	£	£
Interest receivable		<u>1,611</u>	<u>-</u>	<u>1,611</u>	<u>818</u>	<u>-</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>

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

8 Raising funds

	Group					
	Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds	Total 2022
	£	£	£	£	£	£
<u>Fundraising and publicity</u>						
Staging fundraising events	<u>20,216</u>	<u>-</u>	<u>20,216</u>	<u>15,150</u>	<u>-</u>	<u>15,150</u>
	<u>20,216</u>	<u>-</u>	<u>20,216</u>	<u>15,150</u>	<u>-</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.

	Charity					
	Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds	Total 2022
	£	£	£	£	£	£
<u>Fundraising and publicity</u>						
Staging fundraising events	<u>20,216</u>	<u>-</u>	<u>20,216</u>	<u>15,150</u>	<u>-</u>	<u>15,150</u>
	<u>20,216</u>	<u>-</u>	<u>20,216</u>	<u>15,150</u>	<u>-</u>	<u>15,150</u>
<u>Trading costs</u>						
Other trading activities	<u>349</u>	<u>-</u>	<u>349</u>	<u>71</u>	<u>-</u>	<u>71</u>
	<u>20,565</u>	<u>-</u>	<u>20,565</u>	<u>15,221</u>	<u>-</u>	<u>15,221</u>

**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)	<u>5,550</u>	<u>4,480</u>	<u>5,000</u>	<u>4,000</u>
	<u>1,835,806</u>	<u>1,770,579</u>	<u>1,480,949</u>	<u>1,348,877</u>
Analysis by fund				
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

	Group	
	2023	2022
	£	£
Grants to institutions	-	39,879
Grants to individuals	-	-
	<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.

	Charity	
	2023	2022
	£	£
Grants to institutions	-	39,879
Grants to individuals	-	-
	<u>-</u>	<u>39,879</u>

11 Support costs

	Group and Charity					
	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Audit fees	-	5,550	5,550	-	4,480	4,480
	-	5,550	5,550	-	4,480	4,480
Analysed between Charitable activities	-	5,550	5,550	-	4,480	4,480

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.

**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	2022	2023	2022
	Number	Number	Number	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>

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

13 Employees (continued)

Employment costs

	Group			Group		
	Raising funds	Charitable activities	2023	Raising funds	Charitable activities	2022
	£	£	£	£	£	£
Wages and salaries	42,215	723,955	783,102	24,030	784,285	808,315
Social security costs	2,265	52,156	54,421	1,608	39,875	41,483
Other pension costs	<u>961</u>	<u>26,976</u>	<u>27,937</u>	<u>615</u>	<u>27,595</u>	<u>28,210</u>
	<u>45,441</u>	<u>803,087</u>	<u>865,460</u>	<u>26,253</u>	<u>851,755</u>	<u>878,008</u>

	Charity	
	2023	2022
	£	£
Wages and salaries	450,649	455,111
Social security costs	35,603	28,579
Other pension costs	<u>20,685</u>	<u>21,195</u>
	<u>506,937</u>	<u>504,885</u>

	Group and Charity	
	2023	2022
The number of employees whose annual remuneration was £60,000 or more were;	<u>-</u>	<u>-</u>

Contributions totalling £nil (2022: £ nil) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

14 Other

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bad debts	<u>-</u>	<u>-</u>	<u>6,500</u>	<u>10,500</u>
	<u>-</u>	<u>-</u>	<u>6,500</u>	<u>10,500</u>

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

15 Tangible fixed assets

	Group		
	Long leasehold property	Fixtures fittings & equipment	Total
	£	£	£
Cost			
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>
Depreciation and impairment			
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>
Carrying amount			
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
	£	£	£
Cost			
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>
Depreciation and impairment			
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>
Carrying amount			
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>

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>

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>

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>
Analysis of mortgage and loan		
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>
Loan maturity analysis		
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>
Analysis of loans		
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>
Loan maturity analysis,		
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.

**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.

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:

	Group Movement in funds								
	Balance at 1 April 2021	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
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>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

	Charity Movement in funds								
	Balance at 1 April 2021	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
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)	-	-
	<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.

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

23 Analysis of net assets between funds

	Unrestricted	Restricted	Group	Unrestricted	Restricted	
	funds	funds	Total	funds	funds	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	<u>(681,819)</u>	<u>-</u>	<u>(681,819)</u>	<u>(719,245)</u>	<u>-</u>	<u>(719,245)</u>
	<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	Restricted	Total	Unrestricted	Restricted	Total
	funds	funds	2023	funds	funds	2022
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Unrealised gains included above:						
On tangible fixed assets	<u>315,956</u>	<u>-</u>	<u>315,956</u>	<u>315,106</u>	<u>-</u>	<u>315,106</u>
	<u>315,956</u>	<u>-</u>	<u>315,956</u>	<u>315,106</u>	<u>-</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>-</u>	<u>850</u>	<u>-</u>	<u>-</u>	<u>-</u>

Unrealised gains at 31 March 2023	<u>315,956</u>	<u>-</u>	<u>315,956</u>	<u>315,106</u>	<u>-</u>	<u>315,106</u>
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

23 Analysis of net assets between funds (continued)

	Unrestricted	Restricted	Charity			
	funds	funds	Total	Unrestricted	Restricted	Total
	2023	2023	2023	funds	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	Restricted	Total	Unrestricted	Restricted	Total
	funds	funds	2023	funds	funds	2022
	2023	2023	2023	2022	2022	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>

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).

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	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,238)</u>
Cash generated from/(absorbed by) operations	<u>(219,992)</u>	<u>(164,867)</u>	<u>(222,086)</u>	<u>(164,108)</u>

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	<u>-</u>	<u>1,562</u>	<u>(24,999)</u>	<u>(23,437)</u>
	<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	<u>-</u>	<u>1,562</u>	<u>(24,999)</u>	<u>(23,437)</u>
	<u>(127,843)</u>	<u>(255,334)</u>	<u>(24,999)</u>	<u>(408,176)</u>