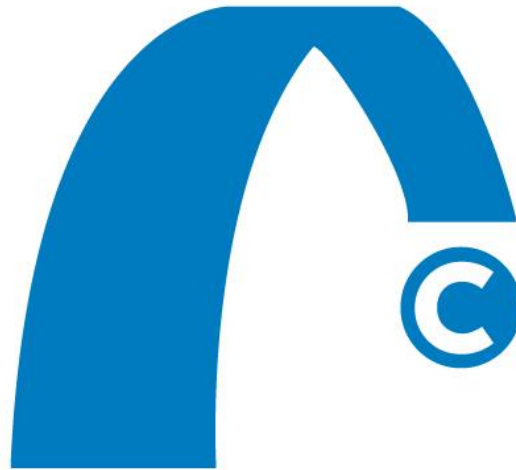


**CORNERSTONE CHURCH SWANSEA
(A COMPANY LTD BY GUARANTEE)**

**REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**



**CHARITY NO: 1126582
COMPANY NO: 6653010**

Bevan Buckland LLP
Chartered Accountants
& Registered Auditors
SWANSEA

**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

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CORNERSTONE CHURCH SWANSEA REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 JANUARY 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 January 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 22 July 2008 and as a registered charity on 5 November 2008. The company was established under a Memorandum and Articles of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10. The Charity is the successor body to Cornerstone Church Swansea Trust (registered charity number 1040639).

Recruitment and Appointment of Trustees of the Charity

The Church Leadership Team have responsibility for identifying potential candidates with appropriate ethos and skills for the position and discuss this with the Trustees. A new Trustee may then be appointed by the Members at a general meeting (and must agree with the Statement of Belief set out in the Schedule to the Memorandum).

Trustee Induction and Training

Most Trustees are already familiar with the practical work of the charity but will undergo an orientation meeting with the Chair of the Trustees and CEO to brief them on their duties and responsibilities as trustees, the content of the Memorandum and Articles of Association, the decision making processes and the current financial position of the charity as set out in the latest published accounts. Trustees are encouraged to attend appropriate training events where these will facilitate the undertaking of their role.

Risk Management

The Trustees review the major risks to which the charity is exposed. The Trustees believe that maintaining reserves at the levels stated, combined with regular reviews of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees are aware of other operational and external risks and compliance with law risks which Cornerstone Church Swansea face and confirm that they have given consideration to mitigate the significant risks.

**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

Organisational Structure - Cornerstone Community Project/ Office

Director	Sarah Richards
Centre Manager	Adam Day
Community Projects Team Leader / Church worker	Matt Richards
Project Worker	Beth Elis
Youth Team Leaders:	Matt Richards. Bethan Sharpe and Ffion Bowen (volunteers)
Kid's Club Team Leader	Beth Elis
Little Rascals Team Leader	Suzanne Brown (volunteer)
Finance Administrator	Paul Burnell
Administrator	Tammy Pece (volunteer)

The Director has managerial responsibility for the projects and oversee all aspects such as Staff supervision, policies and communication. The Team Leaders are responsible for the smooth running of the projects, including day-to-day management of resources, Staff and Volunteers. The Centre Manager is responsible for practical day-to-day running of both Centres and Office Staff. The Trustees are kept informed of decisions and review the activities of the Trust. The Church Leadership are responsible for the broad framework and direction of the Community Project, responding to local needs.

**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

Organisational Structure - Cornerstone Church

Senior Pastor:	Sarah Richards	Leadership Team
Elders:	Adam Day and Suzanne Brown Matt Richards and Jenny Dwamena	Leadership Team
Apostolic Oversight:	Julian Richards	
Small Group Leaders:	Adam and Sian Day Simon and Suzanne Brown Mike and Rachel Leach Surinder and Jason Williams (until February 22) Andrew and Angela Harvey (until February 22) Jez and Helen Fage Beth and Sion Elis Sam and Jenny Dwamena Sam Day and Bethan Day Russo and Chloe Swart Zoe and Ben Rattley Ffion Bowen, Fenia Patricia	
Student/ Church Worker:	Chloe Richards	
Support Student Worker:	Bethan Day (Sharpe)	
Worship leaders:	Beth Elis and Zoe Rattley	

The Senior Pastor and the Elders are responsible for the spiritual leadership, vision, policy and decisions of Cornerstone Church. This is facilitated through the Church by the Small Group Leaders in small group settings. The Small Group Leaders are responsible for pastoral care, discipleship, outreach and teaching under the supervision of the Pastor and Eldership Team. Church Members are encouraged to participate fully in the life of the Church.

The Trustees fulfil their legal obligations on behalf of the Charity providing legal governance and administrative oversight, aiming to meet at least four times a year.

Cornerstone is also a member of **New Wine Cymru**, which works with church leaders and churches across Wales.

Cornerstone is part of **Pioneer**- a relational network of 60 churches across the UK and globally.

Cornerstone is a member of the **Evangelical Alliance**, which represents 1000's of churches across the United Kingdom.

**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

Related Parties - Contacts and Connections

We co-operate and work with several charities, organisations and forums:

- Schools: Our schools team (Matt, Beth and Bethan) have carried out school assemblies in Clwyd, Blaenymaes, Brynhyfryd, Gwytrosydd, Gors and Portmead Primary Schools.

Matt has supported the Swansea Super Teams Football League for Primary aged children with additional learning needs, referring matches and running football-based fun activity sessions.

Matt, Beth and Bethan ran lunchtime Alpha clubs in Bishop Vaughan and Dylan Thomas Secondary Schools. They also hosted GSUS LIVE, partnering with Counties Network, to provide a week of interactive R.E lessons to both schools. Matt also helped host GSUS LIVE in Cefn Hengoed Secondary School.

Matt and Bethan returned to Birchgrove Comprehensive School's STF where they gave lessons on the Christmas Story & the theme of identity with years 7,8, 9 and 10.

Matt Richards is a governor at Gwytrosydd Primary School.

- We have continued to support Blaenymaes Foodshare and Penderry Community Hub Foodbank.
- We are members of thirtyone:eight a charity which provides safeguarding advice and support.
- We are members of Evangelical Alliance Wales and Evangelical Alliance UK. Chloe Swart is on the E.A. UK board of trustees.
- We are members of New Wine Cymru, a coalition of churches, leaders and ministries in Wales. Julian Richards leads New Wine Cymru and Sarah Richards is part of the core team.
- Cornerstone is part of the Pioneer network of Churches.

CORNERSTONE CHURCH SWANSEA REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 JANUARY 2023

For over 31 years, Cornerstone has been serving the local community and the wider church in Wales. We have accomplished this through our community projects and schools work, and, through our vibrant and thriving multigenerational church. This year has been busy and fruitful. The work of Cornerstone continues through Cornerstone Community Project and Cornerstone Church. We have around 95 volunteers who help make this work possible.

An overview of our activities follows including a brief description of our financial management systems as a charity. The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance.

Objectives and Activities

The work of Cornerstone Church and Cornerstone Community Projects fulfil the Objects of the Charity contained in the Company's memorandum of association:

- To advance the Christian faith in accordance with the Statement of Beliefs appearing in the Schedule hereto in Swansea and in such other parts of the United Kingdom or the World as the directors of the Charity (herein called "the trustees") may from time to time think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.
- 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.
- To provide community facilities for educational recreational and other leisure-time occupation in the interests of social welfare for persons who have need by reason of their youth poverty or social and economic circumstances with the object of improving their conditions of life.

The main objectives and activities for the year for our Community Projects continue to focus on tackling social exclusion within the City and County of Swansea through the various community projects we have established and schools work as well as supporting other projects locally.

The strategies employed to assist the charity to meet these objectives include the following:

- Providing a range of services, which are meeting the needs of different sections of the local community in a variety of relevant and creative ways.
- Helping children, young people and adults gain various skills be it social and/or educational that will improve their prospects for the future.
- Use of committed volunteers in many of our projects.

Achievements and Performance

Annual reports on projects that are part of Cornerstone Community Projects undertaken to further our charitable purpose for the public benefit follow:

**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

Achievements and Performance (Cont'd)

CORNERSTONE COMMUNITY PROJECTS

ASSEMBLIES

After a final few online assemblies at the start of the year, Matt, Beth & Bethan were able to restart in-person assemblies - delivering a combination of games, quizzes, songs and Bible-stories to support local primary schools. During term-time the assemblies are delivered fortnightly in Blaenymaes, Brynhyfred, Clwyd, Portmead and, from September, Penllergaer primary schools. In addition, Gwyoysdd and Gors Primary schools have received visits this year.



Clwyd Primary @ClwydPrimary · Nov 23, 2022

Thanks to Matthew, from **Cornerstone Church**, for teaching us about the Christmas story today. We loved it! @Cornerstone_CS



Portmead Primary @portmeadp · Apr 5, 2022

Thank you to Cornerstones Church for our lovely Easter **Assembly**. It was lovely to see you again. #pmdpthanks #pmdphum



Clwyd Primary @ClwydPrimary · Feb 28, 2022

We loved celebrating being Welsh today and watching the amazing St Davids Day **assembly** by Cornerstone Church 🇬🇧 #ClwydSTF



Blaenymaes Primary @BYM_Primary · Apr 6, 2022

Foundation Phase enjoying the Easter Story **Assembly** with Beth and Beth from Cornerstones Church.



**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

Achievements and Performance (Cont'd)

BIRCHGROVE COMPREHENSIVE STF & SUPER TEAMS FOOTBALL LEAGUE

In February Matt & Beth visited Birchgrove Comprehensive School's Specialist Teaching Facility (STF) to deliver activity-filled lessons with years 7-9 and year 10 classes. They tailored a lesson to support the topics the classes had been exploring that term, including the question of 'Who Am I?' and themes from the book *StoneCold*. The pupils especially loved comparing their fingerprints and creating their own identity cards.



Birchgrove Comprehensive School

11 February 2022 · 🌐

Year 7,8 & 9 busy making their identity cards with Matthew from Cornerstone.



CORNERSTONE CHURCH SWANSEA REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 JANUARY 2023

Achievements and Performance (Cont'd)

Matt returned to Birchgrove in December with a lesson on the Christmas story. The pupils discovered the story for themselves through a game of 'Guess the Gift' and then recreated it comic-book style for their files.



Birchgrove Comprehensive School

16 December 2022 · 🌐

Matthew from Cornerstone came to visit our year 7 and 9 STF pupils! He told us a lovely story at the same time as we had to guess the gift, we didn't get to keep them though! During the story, we had a pass the parcel style guess the gift, where pupils were given a treat the 'parcels' were connected to the story and each 'gift' had meaning to the story, which was explained as Matthew went along! Our pupils thoroughly enjoyed your visit, Diolch Matthew!



Throughout the year Matthew has supported the Swansea Super Teams Football League. Run by STF teacher Ben Brown from Clwyd Primary School, the League meets termly and has over 200 children with Additional Learning needs from across Swansea taking part! Matthew has been able to support Ben by refereeing matches and hosting fun football activities.



CORNERSTONE CHURCH SWANSEA REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 JANUARY 2023

Achievements and Performance (Cont'd)

GSUS LIVE & YOUTH ALPHA

In April and May we hosted two week of GSUS Live in Bishop Vaughan and Dylan Thomas Secondary Schools. GSUS Live is an interactive R.E lesson that explores the themes of fear, rejection & forgiveness. During the lesson pupils work on a tablet to help a character who is experiencing one of these issues. Pupils draw on stories from the life of Jesus and other historical characters to guide their responses, before each lesson ends with a Q&A session. These are always a highlight, as pupils express their thoughts and home in on issues and questions important to them.

Matt, Beth & Bethan hosted the week in Bishop Vaughan, with Reverend Dr Jonathon Wright from St Peter's Church Cockett joining them in Dylan Thomas. Across the two schools the lessons served over 750 pupils.

Following GSUS Live, the team hosted a Youth Alpha lunchtime club in both schools. Youth Alpha is a video series which explores life's 'Big Questions' of life, faith and meaning.

Each week Matt, Beth & Bethan prepare quizzes, games and prizes to compliment the themes of the videos and kick-start discussion. In Bishop Vaughan Alpha served over 40 pupils during the summer and proceeding Autumn Term. In Dylan Thomas the clubs served 12 pupils for 8-weeks during the summer term.

One of the highlights of Youth Alpha this year was the end of term 'Summer Youth Night Takeaway' & 'Christmas Extravaganza' - two interactive games-show quiz nights with snacks and prizes hosted at Cornerstone Church Centre with Cornerstone's Youth.



CORNERSTONE CHURCH SWANSEA REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 JANUARY 2023

Achievements and Performance (Cont'd)

YOUTH & KID'S CLUB

Cornerstone church's young people age 11-16 meet together on Thursday nights for 'Youth'. Alongside games, snacks and laughter, Youth provides a supportive space for the young people to explore the Christian faith and topics relevant to their age group, such as handling exam stress and other peer pressures. The young people particularly love the Youth trips throughout the year, whether for social time together or to join in with other Church Youth Group events. This year we've made trips to Barry Island for a beach day, Cardiff for Worship Nights with *The Message Wales* and joined City Church Swansea for a Christmas Ball! Youth is hosted by Beth, Matt, Ffion and Sam. This year Youth has served 20 young people.

Kid's Club is a fun-filled after school club for children age 7-11 in Cornerstone Church. Run by Beth, and Tom & Naomi on a Thursday afternoon 4-5pm, with games, Bible stories, snacks and crafts. This year Kid's Club has served 9 children.



**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

Achievements and Performance (Cont'd)

LITTLE RASCALS

Little Rascals is a play group for pre-school children and their carers, held every Tuesday during term-time at our Penlan building. It is run by volunteers from Cornerstone. Here the children enjoy playing with a variety of toys that inspire their imagination, as well as engaging in a more structured story time, craft and songs. This provides them with opportunities to interact with others of the same age, equipping the children with much needed social skills for the future. The project also provides a space for the adults to connect with others in the same stage of life with coffee and a chat.

23 children came during the year and we played, talked and sang songs. We found that after the pandemic there has been a shift in provision locally and interest from parents/ carers towards more of an emphasis on sensory experiences for babies and toddlers. So we are looking at adapting what we do in response and will trial a shorter more interactive sensory and messy playtime with a view to launching a new parent and toddler group 'Stay & Play' in September 2023.



**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**



Cornerstone Church's main **objectives and activities** for the year continue to focus on outreach, training, teaching, pastoral care and working with other churches in the U.K. and overseas.

Achievements and performance

During 2022 we continued to meet our objectives, to serve the local church and the local community in Swansea, and serving the wider church across Wales to grow, develop and reach their communities too.

In the first part of the year, we were still negotiating Covid restrictions. Up until Easter we still had to run a booking system for various events and services, then finally from May 2022 all Covid restrictions were dropped.

We ran our usual activities of local church life during the year, including youth club, baptisms, ladies' nights, men's nights & football, Sunday school, student activities and Sunday services, plus our schools' work and community projects.

Our small group communities continued to thrive; designed for pastoral care, discipleship and building strong relationships across the church. It was another year of church growth and seeing new members join, and a continuation of seeing people healed from various sicknesses and conditions. Our livestreaming of Sundays and special events such as weddings and funerals continued, along with training the various teams and resourcing with new equipment. It was great to have full use of venue2 again after Covid, enjoying using our café space every month when we drew all our small groups together, and for special events and conferences. It proved to be an excellent resource and a great space to gather. We ran Alpha throughout the year.

We met as a wider leadership team monthly for training and envisioning. It was a positive year for the church, with a fresh anticipation for gathering together after the Covid period, and new people coming along in person having watched services online.

**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

Achievements and Performance (Cont'd)

SOME 2022 HIGHLIGHTS

On Sunday 5th June we celebrated the Queen's Platinum Jubilee with the rest of the U.K. hosting a "Big Sunday Lunch" at v2. This involved an indoor picnic in the café and breakout rooms, games and activities for the children, bouncy castle, ice-cream van and a Jubilee cake stall. The whole venue was full and everyone enjoyed.

We served Wales with two conferences for New Wine Cymru. A national Leader's Conference in June serving leaders and their teams from all over Wales. Then in October we ran a one-day conference, Women Who Lead, for women leaders and their teams. Both were well attended and Cornerstone volunteers did a great job of hosting both events.

Other conferences in the year included Sarah Richards & Chloe Swart travelling to Stockholm to teach in the New Wine Sweden Leader's Conference. Plus, Chloe contributed to the HTB Conference in London in May that was an online conference livestreamed all over the world, praying for healing.

We ran a 'Made to Last,' preparation for marriage course in the Café area at venue2 during February and March. A film series recorded by Sarah & Julian Richards for couples approaching marriage or those wanting a refresher. It was well attended and appreciated by all.

On Sat 9 July we ran an online safeguarding training for all Cornerstone children and youth workers simultaneously at both our buildings, Penlan and venue2. As a church we are deeply committed to safe practice for all the children, youth and vulnerable adults in our care. The event also provided some fun time to hang out as children's workers.

In both July and September we held baby dedications on a Sunday morning for parents and their guests. We were delighted to dedicate six more babies as the church continues to grow with young families. Also, in July we celebrated the wedding of Sam Day & Beth Sharpe, our student worker at v2. It was a day of joy and venue2 was full.

In October, we ran a men's weekend away, at St.Madoc camp, situated at the beautiful Llanmadoc beach, Gower. We also hosted a ladies weekend away at the Towers Hotel & Spa in Jersey Marine. Both events provided time for relationship and friendship as well as worship and teaching. Events like this continue to strengthen the community of the church.

During December we ran many guest activities to draw together community contacts from the year and to host new friends. Events included hosting a ladies Christmas wreath making at our Penlan centre, for the first time, with mulled wine & mince pies. This event was packed with many guests enjoying the night and their first visit to Cornerstone.

CORNERSTONE CHURCH SWANSEA REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 JANUARY 2023

Achievements and Performance (Cont'd)

We held a Christmas party at the Towers for the church and their guests, enjoying a 2-course dinner & silent disco! We served the local community with two Christmas services. An evening service with a cava & canapés reception for guests and local councillors and contacts, and on Sun 18 Dec a family service for all the family.

Throughout the year we continued to support our two local Foodshares in Penlan and Blaenymaes. At Christmas once again church members created Christmas hampers, and we also donated gift bags of a total Christmas roast dinner ingredients that were delivered to Blaenymaes Foodshare.

In January the first Sunday fell on New Year's Day so we kicked off 2023 with cheese toasties in the café at 3pm and children's games and activities in the main hall, followed by our first service of the year.



STAFF & VOLUNTEERS

Once again, the church ran with the commitment and enthusiasm of so many volunteers. As a leadership team, we are deeply grateful for the unwavering commitment and sacrifice of all our staff and volunteers who make leading a healthy thriving church possible. Thank you for your continued passion, hard work and devotion.

**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

Financial Review

The charity's balance sheet shows a satisfactory position with Unrestricted Funds totalling £1,163,342 and Restricted Funds totalling £28,285. Incoming resources during the year were £275,759 of which £29,375 was restricted. The resources expended during the year totalled £300,485 of which £285,182 was spent on direct charitable objectives, £15,303 was spent on support costs. This has resulted in net outgoing resources of £24,726.

The Leadership and Trustees monitor financial activity closely to ensure that expenditure and budgets relate to income. Regular giving and use of the gift-aid scheme by Church Members is essential for the Church to continue at its present level of ministry and to develop in the mid-to-long term. We continue to monitor our income carefully.

Our regular giving and offerings and other donations were steady. As expected we used some of our Planned Strategic Spend reserves in order to help fulfill our strategic plan in the medium term. This year we continued to raise money for Foodshare.

Principal Funding Sources

The principal funding sources for the charity are:-
Cornerstone Church Members
Other private donors

Investment Policy

The Trustees have generally operated a policy of keeping available surplus funds in interest bearing deposit accounts.

Reserves Policy

The designated Capital Asset Fund is £994,487, this represents the value of reserves spent on tangible fixed assets. The Planned Strategic Spend is £50,000 and represents funds to be able to meet the strategic plan in the medium term as well as to help absorb the impact of escalating utility bills. Planned Capital Project reserves represent funds to be used to meet future capital spend. Community Project Funds of £3,527 are designated for use in costs related to projects. Reach Funds are designated funds to reach needs around the world of poverty and injustice and total £976.

There are designated funds for Cornerstone Church Swansea Future Running Costs of £89,000. The Trustees feel the ideal designated future running costs in unrestricted funds would be at a level, which equates to 4 months of unrestricted charitable expenditure. The Trustees consider that this level of reserves will provide sufficient funds for implementation of a contingency plan in the event of a significant drop in income. This year we are at this reserve level. This policy is kept under regular review.

**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

Plans for Future Periods

Cornerstone will:

- Continue to develop work with churches nationally and internationally.
- Continue to raise volunteers, ministries and resources for ongoing expansion of Cornerstone's activities.
- Complete ongoing phases of the development of our venue2 building, Morriston in order to further expand the work of Cornerstone.

**CORNERSTONE CHURCH SWANSEA
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2023**

Reference and Administrative Information

Charity Name: Cornerstone Church Swansea

Charity Registration Number: 1126582

Company Registration Number: 6653010

**Registered Office and Operational
Address:**

Cornerstone Church
32 Mynydd Newydd Road
Penlan
Swansea
SA5 5AE
Telephone: (01792) 516031
Email: info@cornerstonechurch.co.uk
Web: www.cornerstonechurch.co.uk

Trustees: Tamsin Pece (Chair)
Robert Bowen (Company Secretary) (retired 13/07/23)
Adam Day
Andrew Harvey
Suzanne Brown
Hannah Jones

Chief Executive Officer: Sarah Richards

Accountants: Bevan Buckland LPP
Chartered Accountants
Ground Floor Cardigan House
Llansamlet
Swansea
SA7 9LZ

Bankers: Lloyds
Oxford Street
Swansea
SA1 3AF

Solicitors: Mayo Wynne Baxter
20 Gilredge Road
Eastbourne
East Sussex
BN21 4RP

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

.....
Mrs J T Pece

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CORNERSTONE CHURCH SWANSEA

FOR THE YEAR ENDED 31 JANUARY 2023

Independent examiner's report to the trustees of Cornerstone Church (Swansea)

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 January 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirement of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1 accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirements that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Alison Vickers
Institute of Chartered Accountants in England & Wales
Bevan Buckland LLP, Chartered
Ground Floor, Cardigan House
Castle Court, Swansea Enterprise
Swansea, SA7 9LA

CORNERSTONE CHURCH SWANSEA

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating the Income and Expenditure Account)

FOR THE YEAR ENDED 31 JANUARY 2023

	NOTE	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Incoming Resources					
Incoming resources from					
Generated funds:					
Voluntary income					
Regular Givings and					
Other Offerings		235,979	29,375	265,354	302,560
Investment income:					
Investment income:	3	715	-	715	65
Incoming resources from					
charitable activities:					
Charitable		9,690	-	9,690	6,589
Total Incoming Resources		<u>246,384</u>	<u>29,375</u>	<u>275,759</u>	<u>309,214</u>
Resources Expended					
Charitable activities		281,942	3,240	285,182	272,440
Support costs		15,303	-	15,303	12,933
Total Resources Expended	4	<u>297,245</u>	<u>3,240</u>	<u>300,485</u>	<u>285,373</u>
Net incoming/ (Outgoing)					
resources		(50,861)	26,135	(24,726)	23,841
Transfer Between Funds		26,180	(26,180)	-	-
		(24,681)	(45)	(24,726)	23,841
Funds Brought forward		1,188,023	28,330	1,216,353	1,192,512
Funds Carried forward		<u>1,163,342</u>	<u>28,285</u>	<u>1,191,627</u>	<u>1,216,353</u>

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

CORNERSTONE CHURCH SWANSEA

BALANCE SHEET

FOR THE YEAR ENDED 31 JANUARY 2023

	NOTE	2023		2022	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	9		1,063,576		1,092,815
CURRENT ASSETS					
Debtors	10	20,792		18,233	
Cash at Bank and in Hand		<u>192,953</u>		<u>212,697</u>	
		213,745		230,930	
CREDITORS: amount falling due within one year	11	<u>(40,431)</u>		<u>(36,948)</u>	
NET CURRENT ASSETS			173,314		193,982
CREDITORS: amount falling due after one year	12		(45,263)		(70,444)
			<u>1,191,627</u>		<u>1,216,353</u>
FUNDS					
Unrestricted Funds	13		1,163,342		1,188,023
Restricted Funds	13		28,285		28,330
			<u>1,191,627</u>		<u>1,216,353</u>

For the year ended 31 January 2023 the charitable company is entitled to exemption from an audit under section 477 of the Companies Act 2006.

The members have not required the charitable company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibility for:

- i) Ensuring that the charitable company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and

CORNERSTONE CHURCH SWANSEA

BALANCE SHEET CONTINUED

FOR THE YEAR ENDED 31 JANUARY 2023

ii) Preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at 31st January 2023 and of its surplus or deficit for the year ended in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

Approved by the Board on

TRUSTEE.....

Mrs J T Pece

DATE.....

CORNERSTONE CHURCH SWANSEA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

1 ACCOUNTING POLICIES

a Accounting Convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charity SORP (FRS 102), 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland' (FRS 102) (effective 1 January 2019)' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

b Financial reporting standard 102-reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

-the requirements of Section 7 Statement of Cash Flows.

c Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

The Designated funds are held as a contingency fund, to cover future running costs. The amount is based on costs incurred for six months.

d Incoming Resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations and is included in full in the Statement of Financial Activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income and rental income are included when receivable
- Incoming resources from grants when related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance

e Resources Expended

Resources expended are included in the Statement of Financial Activities on an accrual basis as a liability is incurred, including irrecoverable VAT.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities, both costs directly attributable and indirect support costs.

CORNERSTONE CHURCH SWANSEA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

(Resources Expended continued)

Governance costs include those costs associated with meeting constitutional and statutory requirements, principally accounting/audit and AGM expenses.

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of expenditure to which it relates.

f Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation.

Depreciation has been computed to write off the cost of the tangible fixed assets over the expected useful lives using the following rate:-

Furniture & Equipment	25% Reducing Balance
Motor Vehicle	25% Reducing Balance
Property	2% Straight Line

Assets below £2,500 are not capitalised, but included within expenses.

g Pensions

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

h 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 in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, 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.

i Basic financial assets

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised

j Debtors

Short term debtors are measured at transaction price, less any impairment.

k Cash at bank and in hand

CORNERSTONE CHURCH SWANSEA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

l Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end 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 profit or loss

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 profit or loss

m Basic financial liabilities

Basic financial liabilities, including creditors, that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

n Creditors

Short term creditors are measured at transaction price.

o Provision for liabilities

Provisions are recognised when the company has a present obligation (legal and constructive) from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

p Functional and Presentation Currency

The company's functional and presentation currency is pounds sterling.

q Going Concern

The company continues to adopt the going concern basis in preparing its financial statements.

CORNERSTONE CHURCH SWANSEA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

2	NET (OUTGOING)/INCOMING RESOURCES FOR YEAR	2023	2022
		£	£
	This is stated after charging		
	Depreciation of owned fixed assets	29,239	30,208
	Accountancy fees	<u>5,232</u>	<u>4,333</u>
3	INTEREST RECEIVABLE	2023	2022
		£	£
	Bank Interest	<u>715</u>	<u>65</u>

4 Total Resources Expended

	Basis of allocation	Cornerstone Church £	Support Costs £	2023 TOTAL £	2022 TOTAL £
<u>Costs Directly Allocated To Activities</u>					
Staff	Direct	153,575	-	153,575	145,603
Premises	Direct	24,021	-	24,021	21,864
Repairs, Renewals & improvements	Direct	11,048	-	11,048	8,278
Activities, supplies & Equipment	Direct	2,486	-	2,486	8,725
Postage, Advertising IT & Telephone	Direct	6,841	-	6,841	8,097
∞ Travel & Accommodation	Direct	9,495	-	9,495	6,205
Other Expenses	Direct	41,692	-	41,692	35,808
Legal & Professional Fees	Direct	-	10,071	10,071	8,600
Accountancy fee	Direct	-	5,232	5,232	4,333
Depreciation	Direct	29,239	-	29,239	30,208
Bank Charges & Interest	Direct	3,442	-	3,442	4,547
Church Outdoor Activities	Direct	93	-	93	-
Foodshare expenses	Direct	3,250	-	3,250	3,105
Total resources expended		285,182	15,303	300,485	285,373

CORNERSTONE CHURCH SWANSEA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEARD ENDED 31 JANUARY 2023

CORNERSTONE CHURCH SWANSEA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

5 KEY MANAGEMENT EMOLUMENTS

The amount paid to the key management of the charity during the year, was as follows;

	2023	2022
	£	£
Emoluments (excluding pension contributions)	<u>116,364</u>	<u>115,840</u>

No key management received emoluments over £60,000.

6 EMPLOYEE INFORMATION

	2023	2022
	£	£
Staff Costs		
Total Emoluments	136,603	128,650
Social Security	7,615	7,775
Pension costs	9,357	9,178
	<u>153,575</u>	<u>145,603</u>

The average number of employees during the year, calculated on the basis of full time equivalents.

	2023	2022
Church	<u>5</u>	<u>5</u>

CORNERSTONE CHURCH SWANSEA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

7 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Incoming Resources			
Voluntary income			
Regular Givings and Other Offerings	265,160	37,400	302,560
Activities generating funds:			
Trading income	-	-	-
Investment income:			
Investment income:	65	-	65
Incoming resources from charitable activities:			
Charitable	6,589	-	6,589
Total Incoming Resources	<u>271,814</u>	<u>37,400</u>	<u>309,214</u>
Resources Expended			
Fundraising trading:			
Charity shops	-	-	-
Charitable activities	265,181	7,259	272,440
Support costs	12,933	-	12,933
Total Resources Expended	<u>278,114</u>	<u>7,259</u>	<u>285,373</u>
Net incoming/ (Outgoing) resources	(6,300)	30,141	23,841
Transfer Between Funds	23,530	(23,530)	-
	17,230	6,611	23,841
Funds Brought forward	1,170,793	21,719	1,192,512
Funds Carried forward	<u>1,188,023</u>	<u>28,330</u>	<u>1,216,353</u>

CORNERSTONE CHURCH SWANSEA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

8 TAXATION

As a charity, Cornerstone Church Swansea Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable object. No tax charges have arisen in the Charity.

9 TANGIBLE FIXED ASSETS

Cost / Valuation	Freehold Property £	Leasehold Property £	Motor Vehicles £	Furniture & Equipment £	Totals £
At 1 February 2022	1,090,313	219,800	13,380	87,544	1,411,037
Additions	-	-	-	-	-
At 31 January 2023	<u>1,090,313</u>	<u>219,800</u>	<u>13,380</u>	<u>87,544</u>	<u>1,411,037</u>

DEPRECIATION

At 1 February 2022	174,297	55,152	13,062	75,711	318,222
Charge for year	<u>21,806</u>	<u>4,396</u>	<u>79</u>	<u>2,958</u>	<u>29,239</u>
At 31 January 2023	<u>196,103</u>	<u>59,548</u>	<u>13,141</u>	<u>78,669</u>	<u>347,461</u>

NET BOOK VALUE

At 31 January 2023	<u>894,210</u>	<u>160,252</u>	<u>239</u>	<u>8,875</u>	<u>1,063,576</u>
At 31 January 2022	<u>916,016</u>	<u>164,648</u>	<u>318</u>	<u>11,833</u>	<u>1,092,815</u>

The leasehold property was valued at £195,000 with vacant possession by external valuers, Clee Tomkinson Francis, at 23 June 2015, on an open market basis, in accordance with RICS Appraisal and Valuation Standards.

The property purchased at Neath Road Morriston for £650,000 in October 2012 is a freehold property.

CORNERSTONE CHURCH SWANSEA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

10 DEBTORS: amount falling due within one year	2023	2022
	£	£
Other debtor	4,380	600
Tax Recoverable	13,263	15,450
Prepayments	3,149	2,183
	<u>20,792</u>	<u>18,233</u>

11 CREDITORS: amounts falling due within one year	2023	2022
	£	£
Bank loan	23,687	20,266
Trade Creditors	841	727
Tax and Social Security	2,359	3,065
Credit Card	606	335
Other Creditors	5,990	5,990
Accruals	6,948	6,565
	<u>40,431</u>	<u>36,948</u>

Included in other creditors is a balance of £5,990 (2022 £5,990) owed to Cymru Leadership Trust, a charity which A.Day, J.T.Pece and R.P.Bowen are trustees.

12 CREDITORS: amounts falling due after one year	2023	2022
	£	£
Bank loans - 1 - 2 years	23,687	20,266
Bank loans - 2 - 5 years	21,576	50,178
Bank loans - > 5 years	-	-
	<u>45,263</u>	<u>70,444</u>

The charitable company's lenders Stewardship has a first legal charge over the land on the east side of Neath Road, Morriston.

CORNERSTONE CHURCH SWANSEA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

13 MOVEMENT IN FUNDS

	At 1.2.2022	Net movement in funds	Transfer between funds	At 31.1.2023
	£	£	£	£
General	16,520	(50,782)	49,614	15,352
Designated	1,171,503	(79)	(23,434)	1,147,990
Restricted	28,330	26,135	(26,180)	28,285
TOTAL FUNDS	1,216,353	(24,726)	-	1,191,627

Detailed net movement in funds are included in note 14.

COMPARATIVE FOR MOVEMENT IN FUNDS

	At 1.2.2021	Net movement in funds	Transfer between funds	At 31.1.2022
	£	£	£	£
General	44,210	(6,265)	(21,425)	16,520
Designated	1,126,583	(35)	44,955	1,171,503
Restricted	21,719	30,141	(23,530)	28,330
TOTAL FUNDS	1,192,512	23,841	-	1,216,353

Comparative net movement in funds included in above are as follows;

	incoming resources	resources expended	movement in funds
	£	£	£
General	271,814	(278,079)	(6,265)
Designated	-	(35)	(35)
Restricted	37,400	(7,259)	30,141
	309,214	(285,373)	23,841

A current 12 months and prior year 12 months combined position is as follows

	At 1.2.2021	Net movement in funds	Transfer between funds	At 31.1.2023
	£	£	£	£
General	44,210	(57,047)	28,189	15,352
Designated	1,126,583	(114)	21,521	1,147,990
Restricted	21,719	56,276	(49,710)	28,285
TOTAL FUNDS	1,192,512	(885)	-	1,191,627

CORNERSTONE CHURCH SWANSEA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

14 RESTRICTED FUNDS	Brought Forward	Income	Expenditure	Transfer Between Reserves	Carried Forward
	£	£	£	£	£
Restricted Revenue					
Building	12,645	-	-	-	12,645
Refurbishment/running costs					
Café refurbishment					
/ Café funds	8,833	-	-	-	8,833
Stewardship Mortgage Gift	-	29,375	(3,195)	(26,180)	-
Donation from CAF	6,671	-	-	-	6,671
Restricted Capital					
GAP Capital Fund	181	-	(45)	-	136
	<u>28,330</u>	<u>29,375</u>	<u>(3,240)</u>	<u>(26,180)</u>	<u>28,285</u>
UNRESTRICTED FUNDS					
Designated					
Church Future Running					
Costs	85,000	-	-	4,000	89,000
Café refurbishment/costs	-	-	-	-	-
Planned strategic spend	70,000	-	-	(20,000)	50,000
Community Project Funds	3,606	129	(208)	-	3,527
Reach project	976	-	-	-	976
Planned capital project	10,000	-	-	-	10,000
Capital Asset Spend	1,001,921	-	-	(7,434)	994,487
	<u>1,171,503</u>	<u>129</u>	<u>(208)</u>	<u>(23,434)</u>	<u>1,147,990</u>
General Funds	16,520	246,255	(297,037)	49,614	15,352
	<u>1,188,023</u>	<u>246,384</u>	<u>(297,245)</u>	<u>26,180</u>	<u>1,163,342</u>

The designated Church future running costs represents seventeen weeks of future running costs for the Church.

The balance of the designated Capital Asset Fund has been set up in line with SORP 2019 to represent the value of reserves spent on tangible fixed assets.

The Reach and Community Project funds are to be used to finance future project costs.

The restricted Church Building Refurbishment Fund is funds donated solely for the purpose of the refurbishment and any associated costs of a new property.

The GAP Capital Fund are grants received towards the purchase of equipment and are released in line with the depreciation rate of the assets the grant is related to.

CORNERSTONE CHURCH SWANSEA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

14 RESTRICTED FUNDS continued

Planned strategic spend reserve represents funds to be able to meet the strategic plan in the medium term including to absorb the impact of escalating utility bills.

Planned capital project reserve represents funds to be able to meet future capital spend.

The Café funds are to be used in relation to a café .

The donation from CAF is for media production and equipment.

15 RECONCILIATION OF MOVEMENT IN FUNDS

	£
Opening funds	1,216,353
Net Incoming Resources	(24,726)
Closing Funds	<u>1,191,627</u>

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds	Designated Funds	Unrestricted General Funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	136	994,487	68,953	1,063,576
Current Assets	28,149	153,503	32,092	213,745
Current Liabilities	-	-	(40,431)	(40,431)
Longterm Liabilities	-	-	(45,263)	(45,263)
	<u>28,285</u>	<u>1,147,990</u>	<u>15,352</u>	<u>1,191,627</u>

17 RELATED PARTY DISCLOSURES

A donation of £25,292 (2022 £23,000) has been made to Cymru Leadership Trust during the year, a charitable Trust of which A.Day, J.T.Pece and R.P.Bowen are trustees.

Also trustees made donations to the charity amounting to £20,811 (2022 £21,167) and other key management made donations of £11,592 (2022 £12,041) for the year ended 31st January 2023.

18 FINANCIAL COMMITMENTS

Financial commitments under non cancellable operating leases will result in the following annual payments in respect of rent on the Penlan building:

	LAND & BUILDINGS	
	2023	2022
	£	£
Total capital commitment over the life of the lease;		
Penlan building lease	<u>1,850</u>	<u>1,900</u>
	<u>1,850</u>	<u>1,900</u>