

CORNERSTONE EVANGELICAL CHURCH

**A Charitable Company Limited
By Guarantee**

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

For the Year Ended 31 December 2023

**Charity Number 1128533
Company Number 06805205**

Cornerstone Evangelical Church
A Charitable Company Limited by Guarantee
Company Number 06805205

Report of the Trustees for the Year Ended 31 December 2023

The Trustees are pleased to present their annual report and financial statements for the year ending 31 December 2023 which also are prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS102).

Elders' Report

We are once again very thankful to the Lord for his kindness and provision to us throughout the year. The theme of 'Our God Provides' rang throughout autumn Week of Prayer & Giving and formed part of our Harvest celebrations. We spent considerable time in Psalm 145, praising God for his greatness and his goodness.

God so often provides in and through his people, and our gathered times of worship on Sundays continue to steadily grow. On a typical Sunday, around 800 people attend across the 9:15am, 11:15am and 7pm services. We estimate that this means over 1000 people would call Cornerstone their church and attend a service at least once per month. We continue to be blessed by the Lord as his people gathered to hear the word preached, and to sing God's praise. We continue to learn how to be the intercultural, interethnic, and intergenerational church that the Lord has made us.

The multiplicity of ministries and groups happening throughout the week sees the Lord working in so many different ways, and we are so thankful for the many volunteers who give their time, care and love in the service of the Lord and others. Do read through the other sections of this document for a fuller list of much that happens in the life of the church.

Investing in new generations of church leaders is vital for the future of Cornerstone and churches in the UK and beyond. Our Ministry Development Scheme seeks to equip and train those who will serve in church leadership on staff teams in the future. In 2023 we were delighted to welcome Ailie Smallwood onto the MDS, joining David Upton. We were also thrilled to appoint Rupert Akhalu, who will commence his time on the MDS in early 2024. All of this represents a significant investment in people, and we are thankful for the Lord's provision of people willing to serve, and those willing to support the MDS in finances. We recognise the MDS as a very significant part of the calling of God on us as a church and will be continuing to encourage giving and support to it in the years ahead.

The year also saw a number of people stepping down from roles after many years of service. We're especially thankful to Bill Rettie for his time as an Elder, and Charlie Tyrrell for her time on the staff team. With other significant changes ahead on the staff team, we are praying and planning for recruitment for the future.

2023 saw us extend our support for New Whitemoor Baptist Church beyond providing service leaders and preachers, as we commissioned a team of 8 people, committed to attend and help the church for an initial period of 12 months.

We look back with thankfulness to the Lord and look ahead with anticipation of all the Lord is inviting us to be part of in the future. Our God Provides, and we can trust him for tomorrow, just as he has been faithful to us over many years past.

'Great is the Lord and most worthy of praise; his greatness no one can fathom. One generation commends your works to another; they tell of your mighty acts.' (Psalm 145:4-5)

John Russell
Lead Minister, on behalf of the Elders of Cornerstone Church

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Report of the Trustees for the Year Ended 31 December 2023 - continued

1. Our Purposes and Activities

In working towards the objectives below, the Trustees have considered the Charity Commission's guidance on public benefit and have worked towards making Cornerstone as accessible as possible to all the community. The Trustees confirm that they have complied with their duties under Section 17(5) of the 2011 Charities Act with regard to public benefit.

1.a Objectives

- To advance the Christian faith in accordance with the Basis of Faith in such ways and in such parts of the United Kingdom or the world as the Trustees from time to time may think fit;
- 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 Trustees from time to time may think fit; and
- To advance education in such ways and in such parts of the United Kingdom or the world as the Trustees from time to time may think fit.

1.b Aims

Our Mission: To make disciples of Jesus Christ in Nottingham, all nations and the next generation.

Our Values: The word of God, mission of God, people of God, worship of God, and grace of God

Cornerstone relies on every member being actively involved in witness and service, to continue God's work as a local Christian Church congregation:

1. Providing for the spiritual, physical, emotional and social needs - of its members, the local community in and around Nottingham and by means of gifts and through the work of its representatives across the world.
2. Supporting and equipping volunteers and paid staff - to work alongside those struggling locally, and the provision of funds and paid workers to various deprived areas of the world to provide education, training, medical services and the like.
3. Encouraging Christian education - by supporting and equipping Christian leaders and ministers, production of books and other written or recorded material, holding and sponsoring conferences and courses.

1.c Strategies

- Gathering: We gather for Sunday worship at 9:15am, 11:15am, and 7pm, which equips and inspires us as we scatter throughout the city and beyond in the week, worshipping God in our homes, communities, workplaces, schools, clubs, and every aspect of our lives.
- Giving: Our God is a generous God and calls us to be a generous people. We desire to be generous with our facilities as we host partner organisations and churches using our building for events that are a blessing beyond Cornerstone.
- Growing: We are experiencing numerical growth, and we pray for ongoing growth in spiritual depth and maturity – putting down deeper roots, for stronger branches. Raising new leaders through our Ministry Development Scheme and other initiatives is essential to sustain and support existing and future growth. We want to continue to plant new churches and revitalise existing churches as the Lord leads us.
- Going: We desire to equip everyone at Cornerstone to faithfully follow Jesus in all the opportunities and challenges that living in our culture presents, and to enable us to share the hope that is in Christ Jesus. We are supporting 21 people serving the Lord overseas, and raising up more people in the near future who will go to the nations with the good news of Jesus.

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Report of the Trustees for the Year Ended 31 December 2023 - continued

2. Achievements and Performance

2.a Significant Events during the Year

1. Bill Rettie resigned as an Elder in April after serving for 12 years. The church gives thanks to the Lord for Bill and his wife Rosemary and for their contribution to the life of the church over many years.
2. Ministry Development Scheme: Ailie Smallwood joined the MDS in the summer as Cornerstone's 2nd participant on the ministry training programme.

2.b Significant Activities during the Year

1. Provision of gathered worship services on Sunday with associated groups and activities.
2. Connect Groups: Cornerstone gives great importance to encouraging attendees to meet in small groups during the week for bible teaching, prayer, pastoral support and mutual encouragement in the Christian faith. This year 23 Connect Groups met in different locations across Nottingham in pursuit of these aims.
3. The Intern scheme (usually 1 year): A programme to help teach and develop the next generation of church leaders, providing experience and training in the church setting. The Interns year starts in August. 4 new Interns were appointed during the year.
4. Emerging Leaders Group: Recognising the importance of raising new leaders for the life and growth of the church, the church continues its programme of training members in leading small groups & for roles in ministries.
5. Holiday Lunch Club: Partnering with TLG Make Lunch the church started a programme in 2023 to provide a weekly meal for children during the school holidays along with fun activities.
6. The Great Big MAF weekend 28,29 & 30th April. An event supporting the work of Mission Aviation Fellowship with flying themed fun activities and information on the work of MAF.
7. Thanksgiving services for the life and faith of dear friends who have been promoted to glory:
Roger Marvin
Marilyn Davies
John Hopkin
8. Wedding Services:
Amy Nash and Joseph Warren
Jae Won Phee and Ting Kwan Lau
Laura Harrison and Andrew Mawhinney
Laura Summerside and James Hayward
Ruth Marshall and Jeffrey Monk

2.c Delivery of Public Benefit

1. Acts of Christian worship: Available to the public in-person and on-line with Christian songs and hymns, praying and preaching.
2. Beliefs of the church: Information is available to the public on the church website.
3. Women of the Word: Meeting on Friday mornings during term time. This initiative is for women of all ages and cultures to study the Bible, pray together and enjoy each other's company with refreshments.
4. Student Ministry: The church supports and provides resources for the University Christian Unions in Nottingham. Approx. 50 Students regularly attend the church's Sunday evening Preview sessions which include bible study and a meal before the 7pm service.
5. Curious Course: A free 4-week course each term, exploring the Christian faith from Creation to Christ and providing the opportunity to consider the evidence and ask questions.
6. Connect Central: A free six week 'Introduction to Cornerstone' course to help newcomers feel part of the church family, learn about our history, meet church leaders and members and understand our mission and values.

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7. Overseas Mission: Jesus commands us to make disciples of all nations. Doing this is central to the vision of Cornerstone Church, and equipping, sending and supporting people for thus is a whole church activity. The elders delegate to our Mission Coordinators group responsibility for church members and other mission partners currently working in other countries.
8. Friends International: The church is pleased to make a room available, one day a week, to help the FI team in the running of their organisation.
9. English Language Class: For local people whose first language is not English, a Wednesday morning class with crèche. Run by trained volunteers, this is a popular class providing for a mixed range of abilities.
10. New Whitemoor Baptist Church (NWBC): Cornerstone supports the Acts of Worship that takes place at NWBC including prayer, singing and preaching from the Bible. We also support NWBC with outreach events that seek to provide a faithful gospel witness to their local community. The Church has commissioned a team of 8 Cornerstone members to aid with this work for 1 year - with the prospect of committing to a Revitalisation in the future.
11. Crossteach: Cornerstone is pleased to financially and prayerfully support Crossteach; a national charity, whose purpose is to 'teach about the Christian faith in schools'. The team have enjoyed a year of growth and have started working in one new primary school and two new secondary schools. This year (2023) they delivered 432 different activities across 19 schools. They have seen their team increase, with their trainee graduating and joining Crossteach Nottingham as a full-time worker. We praise God for these opportunities and continue to pray for growth, for more volunteers, and for increased financial giving to sustain the ministry.
12. Cornerstone School of Theology: For those wanting to study theology and be equipped for life and ministry. Members study online material from Crosslands and meet monthly to discuss and apply what they've been reading. The group studied modules on Pastoral Care, a Bible Overview, and the Christian doctrines of Salvation, the Church, and Eschatology.
13. Crosslands training: Cornerstone partners with Crosslands to provide theological training to staff and attendees. In 2023, two staff members and one Overseas Worker were studying on the Crosslands Seminary course, whilst others were encouraged by attending various training seminars and book groups run by Crosslands. Crosslands Foundation material is used in the Cornerstone School of Theology.
14. Globe Café: This ministry is run in partnership with Friends International on Monday nights during term time and meets in Core Lounge, Newark Hall, University's Exchange building on University of Nottingham's Jubilee campus. The café is popular with international students and scholars from many countries, cultures, and faiths. It's an opportunity to make friends, meet local people, practice English and enjoy different cultural activities. Each evening includes a fun activity or theme, group discussions, and conversations about life topics and the Christian faith. It is supported by the University Residential Experience (ResX) team.
15. Easter Eggstravaganza: A free event for families with act of worship, crafts, bible story, games, an Easter egg hunt, and chocolate eggs.
16. Ignite the Light: An alternative to Halloween on Sunday afternoon this year. A free event including - crafts, games, a short talk and hot dogs open to all children in school years 3-6.
17. International Women's group: For women who have come from other countries to make their home in the UK. The group meets on Sundays for discipleship, and at other times for lunches, walks and picnics.
18. Youth Groups: The church provides three Christian youth groups that meet on Friday nights for ages 7-11, 11-14 and 14-18, and Sunday mornings.
19. The church building is a collection point for a local Food Bank run by Grace Church, Nottingham.
20. Tots & Toys: A community group for babies and young children under 5, along with their carers (mums, dads, grandparents, child minders etc). The group meets on Thursday mornings in the main auditorium and offers; craft, Bible stories, singing, and refreshments.
21. Twenties and Thirties: The group meets for an event or activity approximately once a month to build friendships and a sense of community, whilst encouraging each other to live for Christ in this season of life.
22. Dad Club: Meeting on the 2nd Saturday of each month. This is a time for dads and their 0-5 year olds to meet up and play, to enjoy refreshments and an interactive bible story. In 2023 the programme only ran for the first half of the year as the leadership of the group is being reviewed.

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23. Freedom Through Coffee: Saturday 4th November. An afternoon with Manumit, a coffee company combating modern slavery.
24. Fruitful Faith in Later Life – This is a monthly group for anyone in retirement to attend and mutually encourage each another in their faith. We often have a live interview with one of our missionaries, or an interview or talk, and occasionally a local trip out.
25. Holiday Club: A free week of activities during the summer holiday for primary aged children with Christian ethos. Includes games, bible talks, craft, small group time, snacks, and bouncy castle! An opportunity for lots of children to come and hear the gospel. Open to all children, with or without a church background. Places need to be booked in advance with a maximum of 150 children.
26. Holiday Lunch Club: is a free activity for children and their parents/carers who attend local schools. A friendly team of volunteers from the church provide a weekly meal for all and fun activities for the children during the school holidays. This ministry has enjoyed steady growth with a core of regular families who have communicated how much they appreciate the hospitality.
27. The Christmas Cracker Workshop: a discounted Christmas craft event explaining the Christmas message.
28. The church supported the events and activities of a number of local, regional, and national Christian organisations during the year as follows:

January	Operation Mobilisation container despatched to Zambia containing materials to support the work there. Jericho Road Project annual volunteer event
February	University of Nottingham CU and Nottingham Trent CU events weeks
March	Next Generation Conference (MGP) Formation 3-day Conference Friends International Cluster Day Nottingham Youth Together
April	Safe Families meeting Crosslands Seminar Day
May	Keswick Band Rehearsal Safe Families 2-day conference
June	Scripture Union - Ka'zoo Christian Holiday Organisation's Team Day Friends International Prayer & Praise Friends International Cluster day
July	Crosslands Seminar Day Midlands Youth Convention
August	Scripture Union Holidays (Ka'zoo) making day
September	Formation 3-day Conference
October	Midlands Women's Convention NTCU vision and praise evening Friends International Training
November	Midlands Men's Convention Friends International Cluster day Crosslands Seminar Day
December	Friends Intentional Christmas Event

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Report of the Trustees for the Year Ended 31 December 2023 - continued

2.d Voluntary Help

The church depends on every member's active involvement in the life of the church. Volunteers and staff, lead and contribute to the many ministries and activities of the church.

1. On Sundays, around 110 people are needed to run church services (stewarding and welcoming, music and technical operators, crèche and Bible Workshop teachers, providing tea/coffee, and other responsibilities).
2. Connect groups: During the week, around 60 volunteers lead 23 Connect Groups that usually meet at members' homes for community, discipleship, pastoral care, and mission.
3. English language: On Wednesday mornings, 25 people help as volunteers.
4. Tots and Toys: On Thursday mornings, 7 people help as volunteers.
5. Maintenance team: On Thursday mornings, 6 people help as volunteers.
6. Youth Groups: On Friday nights around 50 people help as volunteers.
7. Cleaning: On Wednesday or Thursday nights members of 2 rostered Connect groups clean the church building.

2.e Charitable activities - Material fund raising

Giving to Cornerstone is a matter for God and the believer. The leadership occasionally gives guidance on this issue. Leaflets are available at the church building and information on the website. New membership candidates are interviewed by a church Elder during which giving and tithing are discussed.

As well as giving to the General Fund, appeals are made for contributions to the Building Fund to pay for the outstanding mortgage (see note 12) and for the Ministry Development Fund (see note 13) to train people in ministry.

The church has an annual Christmas Appeal for funds to support external organisations (see note 13). All the money received is sent out, including the Gift Aided tax reclaimed. No funds are kept back to cover operating costs. No targets are set for the appeal.

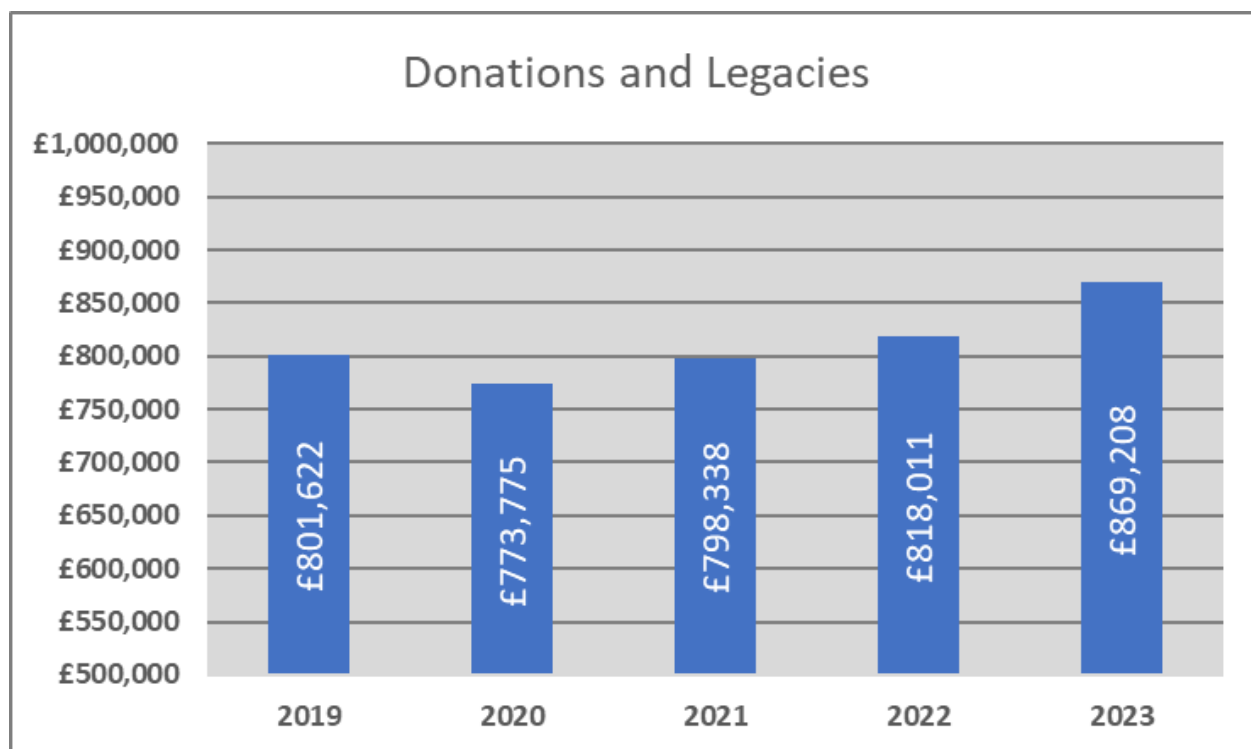
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Report of the Trustees for the Year Ended 31 December 2023 - continued

3. Financial Review

3.1 General Fund: Income – Unrestricted

Donations & Legacies: The church's main source of sustainable income is in the form of Donations & Gifts (including Gift Aid tax) from members and other regular worshippers. This income increased by 6.3% compared with last year. We praise God for continued growth.



Income from Charitable Activities/Events: £25,918 This is income from events that have had a charge made on the participants e.g. tickets for entry, food etc. They are usually ministry events that have a cost associated with them that the church does not wish to fund, partially or in full. These activities are intended to be ministry-enabling and not a net source of income for the church. Consequently, the corresponding Events Expenditure is expected to be of similar amount.

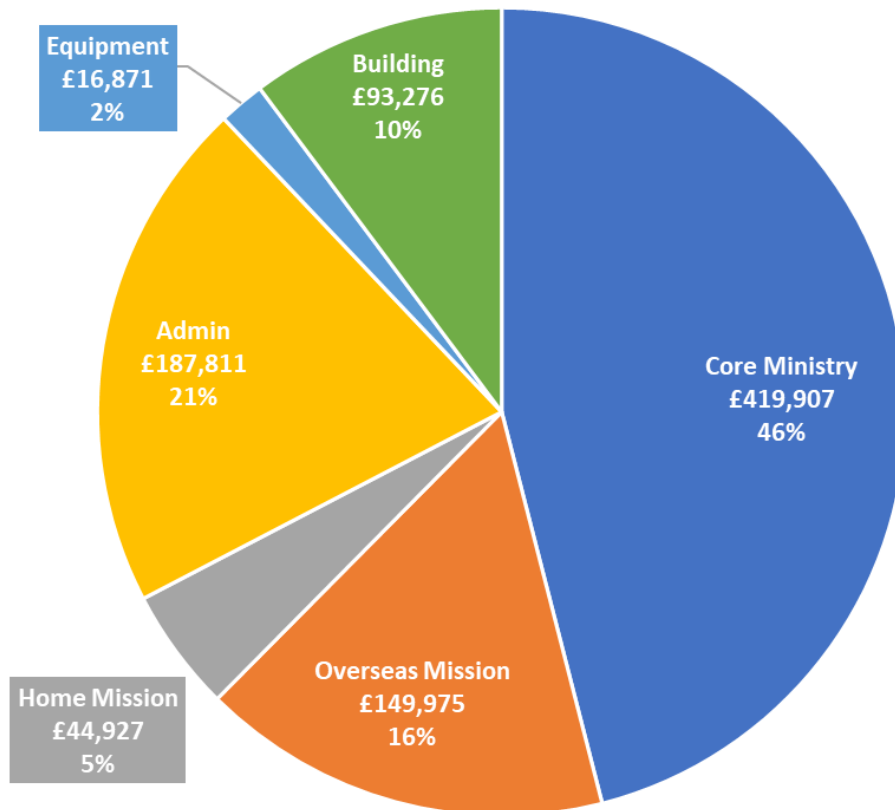
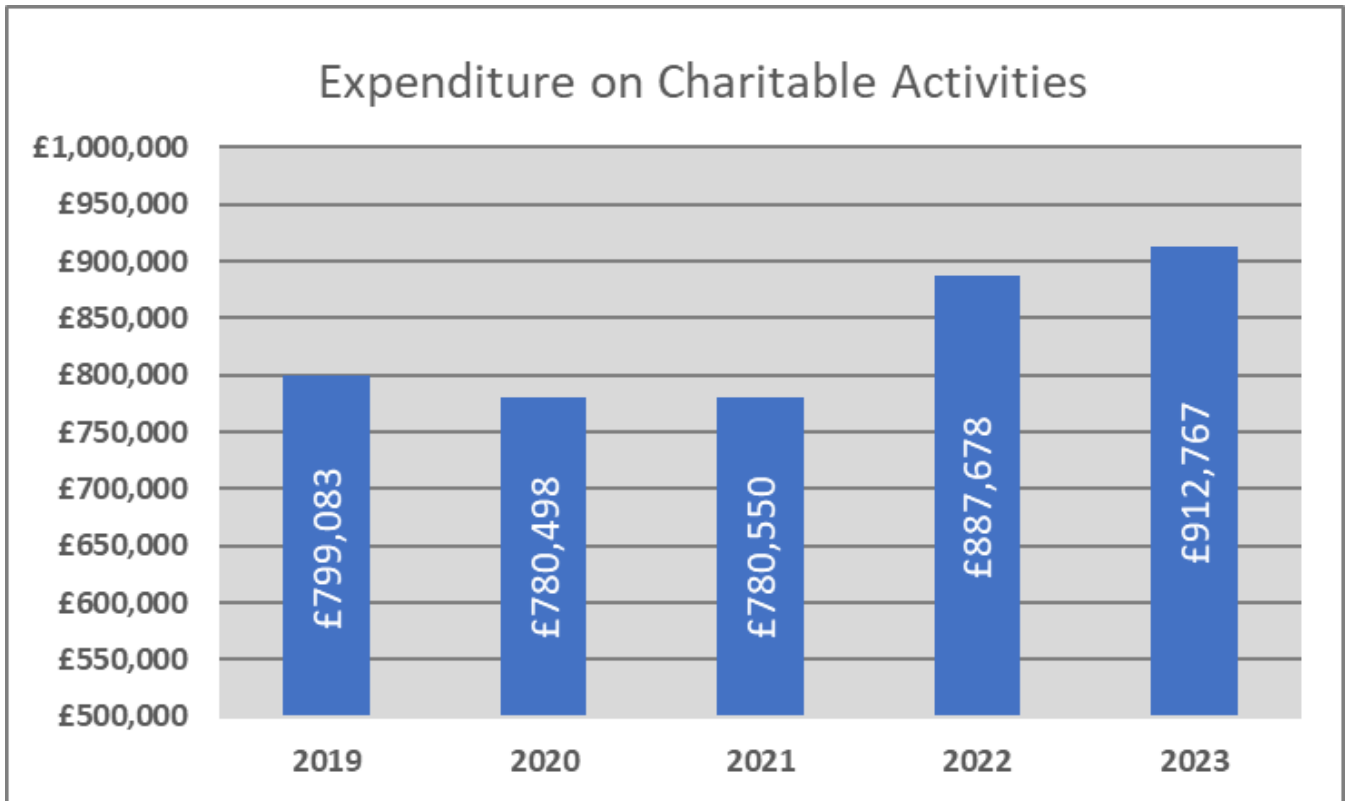
3.2 General Fund: Expenditure – Unrestricted

The total expenditure on charitable activities (excluding events expenditure) of £912,768 is a 2.8% increase on 2022.

This increase was ameliorated by transfer from the Ministry Development Scheme of £45,872 paying for David Upton and Ailie Smallwood's costs as Ministry Workers on the Ministry Development Scheme.

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Expenditure on Charitable Activities

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Report of the Trustees for the Year Ended 31 December 2023 - continued

3.3 General Fund: Net Resources – Unrestricted

Net resources (the difference between unrestricted income and outgoings) for the period are -£34,493 giving total general funds at the year-end of £415,156.

We thank God for 2023 and for His ongoing provision for the mission of Cornerstone Church; to make disciples of Jesus Christ in Nottingham, all nations, and the next generation.

3.4 Restricted Funds

Restricted funds are funds received by the church for specific purposes, formally adopted by the church Elders. They are usually for, but not restricted to, specific International or Home Mission workers, the annual Christmas Appeal, and the Building Fund. Gift Aided tax reclaimed on restricted funds is included in the total for that fund.

Building Fund

Since 2004, the church has been running a fund **‘for premises to house the ministries of the church; its outreach, its teaching and its fellowship’** with the stipulation that **‘Gifts made to this fund will be used for: acquiring, running, furnishing and maintaining a property to house the ministries and worship of Cornerstone Church and any other costs associated with building, renting, occupying and using such a property’**.

Many members and regular attendees of the church are committed to regular giving to the Building Fund as well as their tithe to the general fund. The church also receives one off gifts for the Building Fund.

The total income to the Building Fund was £97,009. This income is used to pay for the capital and interest on the mortgage which stood at £780,193 at the end of the year.

Christmas Appeal

Christmas 2022/2023: gifts and the recovered gift aid tax were disbursed in March 2023 as follows:

- £7,864: Together for the Family - working with Syrian refugees in Lebanon.
- £3,864: Open Homes - Nottingham NightStop project
- £7,864: Safe Families - Offering hope, belonging and support to children, families and care leavers.
- £7,864: Jericho Road Project - Bringing hope and restoration to marginalised women in Nottingham

£4,000: Open Homes – Retained funds to maximise Big Give matched funding at Open Home request. To be disbursed early in 2024.

Christmas 2023/2024: gifts of £9,524 have been received up to 31st December 2023. The Fund will be open for further gifts until March 2024 when the total amount will be disbursed to:

- Together for the Family - working with Syrian refugees in Lebanon.
- Hope into Action - Providing homes for the most vulnerable in society in partnership with local churches.
- Safe Families - Offering hope, belonging and support to children, families and care leavers.
- Jericho Road Project - Bringing hope and restoration to marginalised women in Nottingham.

Lead Minister John Russell registered a conflict of interest relating to Safe Families, as a close family member is employed by them. He removed himself from discussions and decisions concerning support for this charity.

Ministry Development Scheme Fund

A Fund to support training of church leaders for the future. This year the fund contributed £45,872 to the costs of 2 Ministry Workers with another joining the scheme at the beginning of 2024.

3.5 Policy on reserves

The church's policy is to maintain 2-3 months' cash reserves, equivalent to: £150,000 - £225,000. The unrestricted reserve cash assets at the year-end amount to £372,658.

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Report of the Trustees for the Year Ended 31 December 2023 - continued

3.6 Material funds in deficit

There are no material funds in overall deficit.

3.7 Principal funding sources

By far the main source of income for the church is the gifts of its congregation representing 96.8% of total income including tax. The balance coming from investments, bank interest and activities.

3.8 Investments

The Elders/Trustees have no restriction on their investment powers subject to the approval of the church.

4. Plans for Future Periods

- The church's strategy for growth anticipates further increases in congregation numbers. It is recognized that newcomers and new converts take time to start financial giving and hence only limited response to increase in congregation has been reflected in the income forecast for the next 3 years.
- Cornerstone plans to train at least 6 new church leaders in this decade within its Ministry Development Scheme (MDS). It is hoped this initiative will involve 3 or 4 paid participants on the scheme, employed at any one time. The leadership encourages the church to give to this leadership building project with the same weight, importance, and commitment given to our previous building project and church planting project.
- The Church has significant financial resources at the yearend but expects to expend these during 2024, particularly supporting the MDS. It is expected that this will result in general fund net resources at the end of 2024 coming into line with our policy of holding 2-3 months reserves.
- Regular donations and gifts are forecast to increase by 5% in 2024 and the church plans Giving Weeks in the Spring and Autumn with total one-off gifts during the year forecast to be 10% of total income.
- In the 1st Quarter of 2024, the church plans to move the mortgage from Barclays Bank to Kingdom Bank and use reserves to reduce the mortgage from £780,193 to £500,000.
- Minister Roo Miller expects to be moving to India in the Summer of 2024 and Minister Colin Webster anticipates retiring in Summer 2025 and Director of Operations Spencer Hampton in Spring 2026. Plans are being drawn up for recruitment to the staff team for the future, beginning with the recruitment of an additional Minister in 2024.
- The Church seeks to appoint new Elders in the coming months and years, to continue to provide godly leadership for Cornerstone in the future.

5. Reference and Administrative details (of the Charity, its Trustees and Advisors)

5.a Name of the Organisation

Cornerstone Evangelical Church

5.b Charity & Company registration numbers

Charity Number: 1128533

Company Number: 06805205 (Incorporated in England and Wales)

5.c Address of principal office

90 Castle Boulevard, Nottingham NG7 1FP

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Report of the Trustees for the Year Ended 31 December 2023 - continued

5.d Elders (Trustees/Directors) at 31 December 2023

Mark Collins	Roo Miller, Minister
Paul Couchman	John Russell, Lead Minister
David Devadason	Colin Webster, Minister
Jonathan Gribbin	

5.e Other Elders (Trustees/Directors) in office during the year

Bill Rettie (resigned 25th April 2023)

5.f Other Management of the Charity

Company Secretary & Director of Operations – Spencer Hampton

5.g Other relevant organisations or persons

Banks:

- Co-operative Bank, 4-5 Exchange Walk, Nottingham NG1 2NX.
- CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ
- Barclays Bank PLC, Leicester LE87 2BB
- Loughborough Building Society
- Hampshire Trust Bank
- Kingdom Bank

Senior Statutory Auditor:

Alex Butterfield, Haines Watts (East Midlands) Ltd, Chartered Accountants and Registered Auditor, 10 Stadium Business Court, Millennium Way, Pride Park, Derby, De24 8HP

Solicitor (General):

Ellis, Fermor and Negus, 2 Devonshire Avenue, Beeston, Nottingham NG9 1BS

6. Structure, Governance & Management

6.a Constitution

The church was constituted under the Fellowship of Independent Evangelical Churches (FIEC) Model Trust Deed No. 1 declared in 1984 with subsequent amendments at church members' meetings in October 1987, March 1989, May 1991, October 1998, February 2002 and March 2006.

A Charitable Company Limited by Guarantee was adopted for Cornerstone Evangelical Church and incorporated at Companies House on 29 January 2009, Company Number 06805205. This was in place of the trust based structure and preserves the constitution wherever possible.

Cornerstone Evangelical Church - was entered in the Central Register of Charities on 12 March 2009, Registration number 1128533.

On 31 March 2009 the Assets of the Charitable Trust were transferred to the new company.

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Report of the Trustees for the Year Ended 31 December 2023 - continued

6.b Method adopted for recruitment and appointment of new Trustees (Elders)

Proposals for the appointment of Members as Trustees may be made in writing to the Trustees and shall be signed by not less than two Full Members and the Trustees shall duly consider such proposals.

All future Trustees are to be appointed following:

- a resolution of the Trustees recommending a member who meets the requirements below:
- the approval of the proposed Trustee by a vote of two-thirds of the Members in General Meeting present and voting; and
- confirmation of the new Trustee's consent to hold office and assent and consent to the Trustees' Confession of Faith and the completion by the new Trustee of the necessary Companies House paperwork.

The Trustees (who are also directors for the purposes of Company Law) shall consist of not more than twelve Members and not less than six (these numbers include Minister/s and Assistant Minister/s) who are men of twenty-five years of age or over, each having been a Christian for not less than five years and having been baptised on profession of faith in Christ and having been a Member of the Church for not less than two years. [Total immersion is the preferred and usual method of baptism though exceptional circumstances may be taken into account]. All Trustees must be Members. All Trustees must subscribe and adhere to, in belief and lifestyle, the Trustees' Confession of Faith.

6.c Policies & procedures for the induction and training of Trustees (Elders)

All new Trustees must be checked with the Disclosure Barring Service (DBS).

New Trustees will receive:

- A copy of the previous year's Trustees' Report and Financial Statements
- A copy of the Memorandum and Articles of Association
- Copies of previous Trustees' meeting minutes
- A copy of the current year's financial forecast or budget
- Charity Commission CC3 – The essential trustee: What you need to know.
- Charity Commission CC60 – The hallmarks of an Effective Charity
- Copies of all the current up-to-date policies
- All new Trustees will be invited to attend the Cornerstone Safeguarding Training course.

6.d Organisational Structure

Full and Associate Members: The church depends on every member's active involvement in the life of the church. The church must hold at least 3 General Meetings in every year, to conduct the affairs of the church, which all Full and Associate Members are entitled to attend. One of these must be the AGM, which shall be held between 1st January and 30th April in every year. At an AGM the Members, receive and approve the accounts of the Church (which shall be independently audited) for the previous financial year, receive the Trustees' report on the church's activities during the preceding 12 months period, appoint auditors for the church (if necessary), discuss and determine any issues of policy or deal with any other business put before them.

Eldership (Acting Trustees and Directors): The church is led by the Elders, and those serving during the year are listed under Reference and Administrative Details. They are the only committee required under the Memorandum and Articles of Association and take strategic decisions concerning the organisation.

Ministry Staff and Operations Staff: They meet every Tuesday morning to review performance, to plan activities, and attend to the daily demands of the church. They report directly to the Eldership.

Mission Committee: Led by Elder Joff Gribbin, this committee has the responsibility, under the Eldership, to promote cross-cultural ministry interest in the church, propose people to work in cross-cultural environments, and oversee them when they are working. This will involve mobilising the church to pray and care for them and keeping the Elders and church up to date with their news and relevant local developments.

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Risk Management Committee: This committee has delegated responsibility from the Eldership for oversight of the management of risk across all aspects of the church's ministry and operations. It comprises Elder Paul Couchman, the Director of Operations and 3 risk professionals from the membership. The committee submits a report to the Elders at least once per year.

Remuneration Committee: Chaired by Elder Paul Couchman and comprising all non-salaried elders. This committee has delegated responsibility from the Eldership to review and recommend the remuneration for all salaried members of staff. The committee presents its recommendations to the full eldership for approval on an annual basis.

Safeguarding Committee: This committee has responsibility under the Eldership for leading the church in all aspects of safeguarding policy, procedures, awareness and reporting. During the year Elder Bill Rettie stepped down and was replaced on the committee by Elder Mark Collins, also GP and Safeguarding Professional Dr Sarah Magowan joined the committee. Other committee members included Safeguarding Coordinator and church member Matt Storey, DBS Manager and church member Elisabeth Simpson, Director of Operations Spencer Hampton, Director of Ministry Amanda Smart-Gosrani, Children's Ministry Worker Katrina Harper, Safeguarding Professional and church member Anne Batley, retired Safeguarding Professional and church member Chris McNee. The committee submits a report to the Elders at least once per year.

Lead Minister: John Russell. As well as responsibilities as Minister and Elder, he chairs the Eldership meetings and leads the Staff Team. He also has pastoral, preaching, and service-leading responsibilities. John also serves on the FIEC Trust Board and the MGP Steering Committee.

Minister: Colin Webster. As well as responsibilities as Minister and Elder, he has responsibility for the evangelistic outreach of the church. He also has pastoral, preaching, music and service-leading responsibilities.

Minister: Roo Miller. As well as responsibilities as Minister and Elder, he is a member of the Staff Team with responsibility for small group leaders and training within the church. He also has pastoral, preaching and service-leading responsibilities. Roo also serves as a Tutor for Crosslands and is seconded for 100 hours per annum for this purpose.

Director of Ministry: Amanda Smart-Gosrani is a member of the Staff Team with responsibility for pastoral coordination, small group leaders, mercy ministries and the Intern & Voluntary Associate Schemes. She also has pastoral, teaching/training and service-leading responsibilities.

Director of Ministry: Phil Moore is a member of the Staff Team with responsibility for Youth and Music. He also has pastoral, preaching and service-leading responsibilities.

Director of Ministry: Kathryn Jackson is a member of the Staff Team responsible for supporting and facilitating family ministry groups. She also has pastoral and service-leading responsibilities. Kathryn also chairs the MGP Children's & Youth Ministry Group.

Children's Ministry Worker: Katrina Harper is a member of the Staff Team with responsibility for Children's work. She also has pastoral and service-leading responsibilities.

Pastoral Ministry Worker: Sara Girling works alongside Amanda Smart-Gosrani and Colin Webster, with a focus on developing and mobilising pastoral care within the life of the church. Sara is part of the ministry staff and gives her time in a voluntary capacity.

Ministry Worker on the Ministry Development Scheme: David Upton is training for future church leadership. He leads the student ministry and has pastoral, teaching and service-leading responsibilities. He is studying on the Crosslands training course.

Ministry Worker on the Ministry Development Scheme: Ailie Smallwood started on the scheme in 2023 and is training to be a children and youth ministry leader. She works in children's ministry and has pastoral, teaching and service-leading responsibilities. She is studying on the Crosslands training course.

Director of Operations: Spencer Hampton is a member of the Staff Team with responsibility for the day-to-day running of the church, the finances, planning and administration. Spencer leads the Operations Team.

Event Operations Manager: Sarah Daniels, ensures all the events are planned, resourced and delivered in a way that meets Cornerstone's ministry aims and purposes.

Church Secretary: Teresa Samuel provides administrative and office support to ministries of the church.

DBS Manager: Elisabeth Simpson, ensuring DBS (Disclosure and Barring Service) applications are properly processed and that renewals are dealt with in a timely manner. Elisabeth is part of the Operations Team and Safeguarding Team and gives her time in a voluntary capacity.

Cornerstone Evangelical Church
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Report of the Trustees for the Year Ended 31 December 2023 - continued

Accounts Assistant: Mike Shouler, maintaining the financial systems, payments and records of the organisation.

Interns: Cornerstone's internship (1 year from August to July) provides an opportunity to serve and gain experience as a member of the church staff with ministry and theological training. 4 Interns were on the scheme at the end of 2023.

6.e Charity Networks

Cornerstone Church is an independent organisation and is not part of any wider network.

6.f Associated Charities

The church is a member of the Fellowship of Independent Evangelical Churches (FIEC), the Evangelical Alliance (EA) and the Midlands Gospel Partnership (MGP).

6.2 Risk Management

6.2 Risk Management

The Elders have delegated risk management to the Risk Management Group, comprising Elder Paul Couchman, Director of Operations Spencer Hampton and 3 risk professionals from the membership. The group report to the elders on an annual basis and review the church's risk register containing risks, controls and mitigation plans periodically throughout the year.

The highest risks to which the church is exposed are considered to be:

- Having insufficient finances to meet expenditure commitments
- Inadequate leadership capability to provide appropriate oversight of the church
- Loss of a key member of staff
- Building being unavailable for use by the church
- Public scandal causing damage to effectiveness of the church's ministry

Cornerstone Evangelical Church
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Report of the Trustees for the Year Ended 31 December 2023 - continued

7. Statement of Trustees' Responsibilities

Company Law requires the Elders to be responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Elders are required to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Elders should follow best practice and:

- 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Elders 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 financial statements comply with the applicable law, regulations and the trust deed. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the Elders are aware:

- there is no relevant audit information of which the charity's auditors are unaware and
- the Elders have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Elders are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the Eldership

Members of the Eldership who are Directors for the purpose of the company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 9.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 December 2022 was 8 (2021: 9).

A resolution to appoint Haines Watts as auditors of the company will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Signed: Date:
John Russell

Cornerstone Evangelical Church
90 Castle Boulevard
Nottingham
NG7 1FP

**Report of Independent Auditors to the Members of
Cornerstone Evangelical Church
A Charitable Company Limited by Guarantee**

Opinion

We have audited the financial statements of Cornerstone Evangelical Church for the year ended 31 December 2023 on pages nineteen to thirty-one which comprise the Statement of Financial Activities, the summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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 financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of the 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 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 Auditors' responsibilities for the audit of the financial statements 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 financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note seventeen to the financial statements, 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditors report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

**Report of Independent Auditors to the Members of
Cornerstone Evangelical Church
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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report included within the Trustees report.

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

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- Parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's 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' exemption from the requirement to prepare a Strategic Report or in preparing the Trustees report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page thirteen, the Trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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 has no realistic alternative but to do so.

Auditors 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 a Report of the Auditors 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:

- Enquiring of management of any known or suspected instances of fraud, as well as considering management's assessment of the susceptibility of the financial statements to fraud.
- Performing substantive testing over a selection of journal entries made in the period, to address the risk of fraud due to management override of controls. With a focus on entries made by unusual team members or entries made at unusual times or on unusual dates.
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements. Specifically checking compliance with The Charity Commission as well as employment laws and regulations.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate an increased risk of material misstatement as a result of fraud, or management override.
- Assessing accounting estimates which have a material impact of the year end accounts, to determine if there is indication of management bias.

**Report of Independent Auditors to the Members of
Cornerstone Evangelical Church
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Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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

.....
Alexander Butterfield (Senior Statutory Auditor)
For and on behalf of Haines Watts Chartered Accountants & Statutory Auditors
10 Stadium Business Court
Millennium Way
Pride Park
Derby
DE24 8HP

Date:

Cornerstone Evangelical Church
A Charitable Company Limited by Guarantee
Company Number 06805205

Statement of Financial Activities
(Incorporating Income and Expenditure Account)
for the Year Ended 31 December 2023

		<u>2023</u>			<u>2022</u>		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		£	£	£	£	£	£
<u>Income</u>	Notes						
Donations and Legacies	1	869,208	146,125	1,015,333	818,011	230,720	1,048,731
<i>Income from Charitable Activities</i>							
Events Income	2	25,918	-	25,918	27,120	-	27,120
Investment Income		7,284	-	7,284	1,849	-	1,849
Total Income		902,410	146,125	1,048,535	846,980	230,720	1,077,700
<u>Expenditure</u>							
<i>Expenditure on Charitable Activities</i>							
Operation of Cornerstone Church and delivery of Mission Costs		958,640	158,713	1,117,353	887,678	170,236	1,057,914
Events Expenditure		24,135	-	24,135	20,925	-	20,925
Total Expenditure	5	982,775	158,713	1,141,488	908,603	170,236	1,078,839
						-	
Net Income (expenses) and net movement in funds for the year		(80,365)	(12,588)	(92,953)	(61,623)	60,484	(1,139)
Transfer Between Funds		45,872	(45,872)	-	-	-	-
Reconciliation of funds – Total funds brought forward		449,649	5,196,136	5,645,785	511,272	5,135,652	5,646,924
Total funds carried forward	14	415,156	5,137,676	5,552,832	449,649	5,196,136	5,645,785

The Statement of Financial Activities includes all gains and losses in the year.
All incoming resources, and resources expended derive from continuing activities.

Cornerstone Evangelical Church
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Balance Sheet for the Year Ended 31 December 2023

	Note	<u>2023</u>	<u>2022</u>
		£	£
<u>Fixed Assets</u>			
Tangible Assets	6	5,576,698	5,650,284
<u>Current Assets</u>			
Cash at Bank and in Hand	7	740,524	787,949
Debtors	8	57,956	57,490
Total Current Assets		<u>798,480</u>	<u>845,439</u>
<u>Current Liabilities</u>			
Creditors due within one year	9	121,072	115,368
		<u>121,072</u>	<u>115,368</u>
<u>Net Current Assets</u>		677,408	730,071
<u>Total Assets less Current Liabilities</u>		<u>6,254,106</u>	<u>6,380,355</u>
<u>Creditors</u>			
Amounts falling due after more than one year	10	(701,274)	(734,570)
<u>NET ASSETS</u>		<u>5,552,832</u>	<u>5,645,785</u>
<u>The Funds of the Charity</u>			
Unrestricted – General	13	415,156	449,649
- Designated		-	-
Restricted	13	5,137,676	5,196,136
Total Charity Funds		<u>5,552,832</u>	<u>5,645,785</u>

The accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The accounts were approved by the Elders:-

Signed: Dated:
John Russell

The notes on pages 22 to 31 form part of these accounts

Cornerstone Evangelical Church
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Cash Flow Statement as at 31 December 2023

	<u>Notes</u>	<u>2023</u> £	<u>2022</u> £
Net Cash Flow from Operating Activities	18	46,884	119,014
Returns on Investments:			
Interest Received		7,284	1,849
Interest Paid		(49,628)	(42,147)
		<u>4,540</u>	<u>78,716</u>
Capital Expenditure and Financial Investments:			
Purchase of Tangible Fixed Assets		(18,669)	(27,812)
Disposal of Fixed Assets		-	-
		<u>(14,129)</u>	<u>50,904</u>
Financing:			
Capital Element of Loan Repayments Made		(33,296)	(36,697)
Net Cash Inflow/(Outflow)		<u>(47,425)</u>	<u>14,207</u>
Increase/(Decrease) in Cash in the Year		(47,425)	14,207
Net Cash Resources at 1 January 2023		<u>787,949</u>	<u>773,742</u>
<u>Net Cash Resources at 31 December 2023</u>		<u><u>740,524</u></u>	<u><u>787,949</u></u>

Cornerstone Evangelical Church
A Charitable Company Limited by Guarantee
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Notes forming part of the Financial Statement for the Year Ended 31 December 2023

ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

BASIS OF PREPARATION

The financial statements have been in accordance with the 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 (FRS102) (effective 1st January 2019) – (Charities SORP (FRS102)), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared on a going concern basis. The Directors have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment.

Cornerstone Evangelical Church meets the definition of a public benefit entity under FRS102.

The Trustees consider there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements are presented in sterling (£).

FUNDS

General Funds – are funds generated from activities of the church such as bookstalls, events, outside preaching, etc.

Unrestricted Funds – are general funds available for use at the discretion of the Elders to further the general objectives of the church and which have not been designated for specific purposes. They are usually gifts from members of the congregation and the tax recovered on those gifts.

Restricted Funds – are funds that can only be used in accordance with specific restrictions imposed by the donors or which have been raised for particular purposes with the objects of the church and the tax recovered on those funds. The aim and use of each restricted fund is set out in the Notes to the Financial Statements.

Designated Fund – this fund is set aside during the year by the Elders for the refurbishment of the building.

INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities (SOFA) when the church is legally entitled to the income and the amount can be quantified with reasonable certainty.

Collections are recognised when received by or on behalf of the Elders. Planned giving is recognised only when received.

Income tax recoverable on Gift Aid donations is recognised when the donation has been received.

Legacies are recognised at the earlier of receipt or at the time the amount can be measured with reasonable certainty.

Donated services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt, where this can be quantified.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Cornerstone Evangelical Church
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Notes forming part of the Financial Statement for the Year Ended 31 December 2023 - Continued

LIABILITIES FOR HOME AND INTERNATIONAL MISSION

The Church financially supported 13 missionaries or mission families during the period. Where a missionary has been supported by the Church for a number of years, strict compliance with the Charities Statement of Recommended Practice (SORP) may regard some arrangements as constituting constructive obligations such that future years' support is accounted for in these accounts as a liability. The Trustees consider that to comply with the accounting requirements of SORP would not present a true and fair view because it does not communicate reality.

Further, accounting for these liabilities in this way would require the Trustees to build up unnecessary reserves that could not, in the meantime, be used to pursue the charity's objectives.

The Trustees are confident that the missionaries supported would not view their support as an open ended obligation on the part of the Church.

RESOURCES EXPENDED

Expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributable to one of the functional categories of resource used in the SOFA. The Church is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

PENSION POLICY

The charity operates a defined contribution pension scheme. Contributions to the scheme are recognised as resources expended upon payment. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions payable for the year are shown within the statement of financial activities.

DEPRECIATION

Fixed assets costing more than £250 have been capitalised at cost, the depreciation has been reviewed and is calculated so as to write off the cost of fixed assets on the following basis:

Fixtures and Fittings	20% - reducing balance
Equipment	20% - reducing balance
New Building Audio & Visual Equipment	20% - reducing balance (charged to the general fund)
New Building Fixtures and Fittings	20% - reducing balance (charged to the general fund)
Buildings	2% - on cost (charged to restricted building fund)

Land – the land value has not been depreciated.

New building assets consisting of fixtures and fittings and audio equipment have been depreciated from the date that the property was occupied.

DEBTORS

Debtors are recognised at the settlement amount owed to the Charity or prepaid.

CREDITORS

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

Cornerstone Evangelical Church
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Notes forming part of the Financial Statement for the Year Ended 31 December 2023 - Continued

FINANCIAL INSTRUMENTS

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

LEASE AGREEMENTS

Rentals applicable to operating lease agreements where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

LIMITED BY GUARANTEE

The charity is limited by guarantee and in the event of it being wound up, every member is liable to contribute a sum not exceeding £1. There are no shares of any class either authorised or allocated.

1. Donations, Gifts and Legacies (Unrestricted)

	2023	2022
	£	£
Gift Aid Giving	540,222	531,608
Gift Aid Tax Recoverable	141,623	144,422
General Giving	160,284	121,477
Tax Inclusive Giving	27,079	18,830
Legacies	-	1,674
	<u>869,208</u>	<u>818,011</u>

Donations, Gifts and Legacies (Restricted)

Ministry Development Fund	17,410	28,462
Building Fund	97,009	165,826
Restricted Home Funds	750	750
Christmas Appeal	21,432	25,658
Christmas Appeal	9,524	10,024
	<u>146,125</u>	<u>230,720</u>

Total Donations	<u><u>1,015,333</u></u>	<u><u>1,048,731</u></u>
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2. Charitable Activities

Training Events	-	2,555
Youth/Children's Events	15,882	14,861
Books, Tapes and CDs	972	2,663
Social Events	1,454	90
Tutoring	2,050	2,788
Donations	5,560	4,163
	<u>25,918</u>	<u>27,120</u>

Cornerstone Evangelical Church
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Notes forming part of the Financial Statement for the Year Ended 31 December 2023 – Continued

3. Total Salaries & Staff Summary

	2023	2022
	£	£
Salaries	467,471	419,544
Employer's NI	42,986	40,227
Pension	20,832	20,019
Child Care Vouchers	772	1,985
	<u>532,061</u>	<u>481,775</u>

Average Weekly Number of Employees, calculated as full time equivalents

Pastoral Staff	8	8
Management and Support	6	6
(No employee received remuneration of more than £60,000)	<u>14</u>	<u>14</u>

The number of employees to whom retirement benefits were accruing was as follows:

Defined Contributions Scheme	<u>16</u>	<u>16</u>
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The key management personnel of the charity, comprise the elders and director of operations. The total employee benefits of key management personnel of the charity were £177,297 (2022: £169,582).

Elders giving in the financial year totalled £61,731 (2022: £44,186).

4. Trustee Remuneration

Some trustees and relatives of trustees are remunerated, as permitted in the Memorandum and Articles of Association – this includes salary, pension and expenses. The expenses are incurred as a direct result of their work and include office and travel expenses.

		2023	2022
		£	£
Colin Webster	Remuneration	41,495	40,212
	Pension	2,075	2,011
	Expenses	219	556
		<u>43,789</u>	<u>42,779</u>
John Russell	Remuneration less child care vouchers	44,895	43,612
	Pension	2,275	2,211
	Expenses	2,853	2,258
		<u>50,023</u>	<u>48,081</u>
Roo Miller	Remuneration less child care vouchers	37,141	33,763
	Pension	1,863	1,751
	Expenses	911	988
		<u>39,915</u>	<u>36,502</u>

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Notes forming part of the Financial Statement for the Year Ended 31 December 2023 - Continued

5. Expenditure on Charitable Activities

<u>5.1 Core ministry</u>	Unrestricted £	Restricted £	2023 £	2022 £
Salaries (Note 3)	399,490	-	399,490	351,091
Colin Webster Expenses	219	-	219	556
John Russell Expenses	2,853	-	2,853	2,258
Roo Miller Expenses	911	-	911	988
Other Employees Expenses	16,464	-	16,464	11,640
Employment Allowance	(5,000)	-	(5,000)	(5,000)
Staff Development	7,133	-	7,133	6,265
Staff Travel	243	-	243	662
Pastoral Team Discretionary Gifts	1,500	-	1,500	4,027
Visiting Speakers	2,689	-	2,689	3,912
Schools	200	-	200	154
Students	1,453	-	1,453	1,854
Evangelism	1,347	-	1,347	1,815
Children	2,348	-	2,348	1,751
Youth	1,086	-	1,086	1,306
Members Training / Teaching	7,145	-	7,145	10,232
Website Maintenance	240	-	240	359
Flowers Pastoral	1,822	-	1,822	1,638
Flowers Sunday	75	-	75	146
Catering	13,227	-	13,227	14,887
Music	2,592	-	2,592	2,210
Sundry Expenses Ministry	7,743	-	7,743	7,786
Charitable Donations (see note 3)	-	-	-	9,911
	465,780	-	465,780	430,448

5.2 Overseas Ministry

Support for Missionaries and their Families	149,975	-	149,975	123,780
	149,975	-	149,975	123,780

5.3 Home Mission

Home Mission Contingency	2,119	-	2,119	5,455
C U Missions	750	-	750	700
Earlesfield Community Church	6,500	-	6,500	4,000
Friends International	15,000	-	15,000	37,399
Friends International Admin	3,045	-	3,045	3,045
Returning Students Ministry	247	-	247	4,500
COCM	7,000	-	7,000	7,750
Cross Teach	6,000	-	6,000	5,000
Cornerstone Money Advice	1,257	-	1,257	2,000
English Language Class	(608)	-	(608)	900
International Student Expenses	3,237	-	3,237	5,683
Cornerstone School of Theology	256	-	256	(486)
Globe Cafe	124	-	124	-
	44,927	-	44,927	75,946

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Notes forming part of the Financial Statement for the Year Ended 31 December 2023 – Continued

	Unrestricted	Restricted	2023	2022
	£	£	£	£
<u>5.4 Administration and Support Costs</u>				
Salaries (note 3)	132,571	-	132,571	130,684
FIEC & MGP Affiliation	11,054	-	11,054	10,689
Evangelical Alliance Subscription	540	-	540	540
Postage	277	-	277	349
Printing and Advertising	3,640	-	3,640	3,052
Computer and Software	6,629	-	6,629	4,537
Photocopier	2,906	-	2,906	3,257
Office Stationery and Sundries	2,833	-	2,833	3,047
Evangelical Now	102	-	102	96
Bank Charges	8,865	-	8,865	3,046
Child Protection Reports	1,122	-	1,122	1,312
General Sub's and Donations	873	-	873	120
Accountancy Fees	2,000	-	2,000	1,900
Audit Fees	4,670	-	4,670	4,650
Pension Fees	300	-	300	300
Legal Expenses	9,429	-	9,429	145
	187,811	-	187,811	167,724
<u>5.5 Building and Fabric Costs</u>				
Building Insurance	8,187	-	8,187	7,102
Car Parking	12,341	-	12,341	12,751
Church Utilities	32,737	-	32,737	4,823
Church Telephone	5,782	-	5,782	6,298
Church Cleaning and Waste	18,154	-	18,154	16,211
Church Maintenance	522	-	522	4,175
Internet and Computer Support	-	-	-	2,492
Security	5,770	-	5,770	5,996
Servicing	9,783	-	9,783	13,812
	93,276	-	93,276	73,660
<u>5.6 Equipment</u>				
Church Equipment Purchases	6,247	-	6,247	3,306
Office Equipment Purchases	-	-	-	191
Depreciation – Fixtures and Equipment	10,624	-	10,624	11,524
Technical Equipment Purchases	-	-	-	1,099
	16,871	-	16,871	16,120
<u>5.7 Events Expenditure</u>				
Bookstall	267	-	267	2,324
Events	23,868	-	23,868	18,601
Tapes and CD's	-	-	-	-
	24,135	-	24,135	20,925
<u>5.8 Restricted Costs</u>				
Loan Interest Charges	-	49,628	49,628	42,147
Depreciation - Property	-	70,000	70,000	70,000
Depreciation – Original Assets	-	11,630	11,630	12,302
Christmas Appeal	-	27,455	27,455	40,211
Sundry Building Costs (replace car park)	-	-	-	5,576
	-	158,713	158,713	170,236
<u>TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES</u>	982,775	158,713	1,141,488	1,078,839

Cornerstone Evangelical Church
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Notes forming part of the Financial Statement for the Year Ended 31 December 2023 – Continued

Operating Profit/Loss

The operating profit (loss) is stated after charging:-

	2023	2022
	£	£
Auditors Remuneration	4,670	4,650
For other services	2,000	1,900
Depreciation	92,255	93,826

6. Tangible Assets and Depreciation

Cost	Freehold Land and Legal Costs	Building Cost	Building Audio & Visual	Building Fixtures & Fittings	Fixtures & Fittings	Equipment	Total
Balance at Start of Year	2,750,920	3,504,056	144,787	128,448	113,538	157,820	6,799,569
Additions During Year	-	2,700	-	8,944	705	6,320	18,669
Disposals	-	-	-	-	-	-	-
Balance at End of Year	<u>2,750,920</u>	<u>3,506,756</u>	<u>144,787</u>	<u>137,392</u>	<u>114,243</u>	<u>164,140</u>	<u>6,818,238</u>
Depreciation							
Balance at Start of Year	-	700,000	117,246	106,779	96,941	128,319	1,149,285
Depreciation During Year	-	70,000	5,508	6,123	3,460	7,164	92,255
Disposals	-	-	-	-	-	-	-
Balance at End of Year	<u>-</u>	<u>770,000</u>	<u>122,754</u>	<u>112,902</u>	<u>100,401</u>	<u>135,483</u>	<u>1,241,540</u>
Net Book Value (NBV)							
At Start of Year	<u>2,750,920</u>	<u>2,804,056</u>	<u>27,541</u>	<u>21,669</u>	<u>16,597</u>	<u>29,501</u>	<u>5,650,284</u>
At End of Year	<u>2,750,920</u>	<u>2,736,756</u>	<u>22,033</u>	<u>24,490</u>	<u>13,842</u>	<u>28,657</u>	<u>5,576,698</u>

As shown above the purchase of the land at 90 Castle Boulevard totalled £2,750,920. Other costs totalling £3,504,056 relate to the purchase and development of the land .

7. Cash at Bank and in Hand

	2023	2022
Deposit and Current Accounts	740,524	787,949
Catering Float	-	-
Petty Cash	-	-
	<u>740,524</u>	<u>787,949</u>

The current account balance is held with an automatic overdraft offset to the deposit account which ensures the account remains in credit.

8. Prepayments and Debtors

	2023	2022
Tax Refundable on Gift Aid	46,264	48,710
Other Debtors and Prepayments	11,692	8,780
	<u>57,956</u>	<u>57,490</u>

9. Creditors & Accruals: amounts falling due within one year

	2023	2022
Creditors		
Social Security and other taxes	10,789	10,857
Other Creditors	25,823	19,439
Bank Property Loan – falling due in 12 months	78,919	78,919
Bank Loan Interest	941	1,653
Accruals		
Audit Fee	4,600	4,500
	<u>121,072</u>	<u>115,368</u>

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Notes forming part of the Financial Statement for the Year Ended 31 December 2023 – Continued

10. Creditors: Amounts falling due after more than 1 year

	2023	2022
Bank Property Loans 1 - 2 years	78,919	78,919
Bank Property Loans 3 -5 years	236,756	236,756
Bank Property Loans after 5 years	385,599	418,895
	<u>701,274</u>	<u>734,570</u>

11. Commitments under Operating Leases – 31 December 2023

The church had annual commitments under a non-cancellable operating lease as follows:-

	2023	2022
1 st year	1,252	2,506
1-5 years	-	1,252

12. Secured Debts

	2023	2022
Bank Loans	<u>780,193</u>	<u>813,489</u>

The Bank holds security in the form of a legal charge over the Cornerstone Evangelical Church, Castle Boulevard, Nottingham. During the year the mortgage was held with Barclays Bank Plc, following the year end the mortgage was transferred to Kingdom Bank Limited. The current rate of interest applying to the mortgage is 6.20%, the rate is variable.

13. Restricted Fund

For the Year Ended 31 December 2023

Details	Balance b/f	Income	Expenditure	Transfer	Balance c/f
a) Building Fund	5,152,555	97,009	131,258	-	5,118,306
b) Ministry Development Fund	28,462	17,410	-	(45,872)	-
c) Restricted Home Funds	5,095	750	-	-	5,845
d) Christmas Appeal	-	13,525	-	-	13,525
e) Christmas Appeal 11/12/22 – 31/12/22	10,024	17,431	27,455	-	-
	<u>5,196,136</u>	<u>146,125</u>	<u>158,713</u>	<u>(45,872)</u>	<u>5,137,676</u>

Unrestricted Fund

f) General Fund	<u>449,649</u>	<u>902,410</u>	<u>982,775</u>	<u>45,872</u>	<u>415,156</u>
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For the Year Ended 31 December 2022

Details	Balance b/f	Income	Expenditure	Transfer	Balance c/f
a) Building Fund	5,116,755	165,826	130,026	-	5,152,555
b) Ministry Development Fund	-	28,462	-	-	28,462
c) Restricted Home Funds	4,345	750	-	-	5,095
d) Christmas Appeal	14,552	25,658	40,210	-	-
e) Christmas Appeal 11/12/22 – 31/12/22	-	10,024	-	-	10,024
	<u>5,135,652</u>	<u>230,720</u>	<u>170,236</u>	<u>-</u>	<u>5,196,136</u>

Unrestricted Fund

f) General Fund	<u>511,272</u>	<u>846,980</u>	<u>908,603</u>	<u>-</u>	<u>449,649</u>
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a) Building Fund

A fund for premises to house the ministries of the Church; its outreach, its teaching and its fellowship. Gifts made to this fund are used for acquiring, running, furnishing and maintaining property to house the ministries and worship of Cornerstone Church and any other costs associated with building, renting, occupying and using such a property (includes non-taxable giving, Gift Aided giving and tax allowable on gifts).

b) Ministry Development Fund

A fund to cover staff costs for Ministry Development and to look at possible new church plants in the local area.

c) Restricted Home Funds

Funds to support home mission (includes non-taxable giving, Gift Aided giving and tax allowable on gifts).

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Notes forming part of the Financial Statement for the Year Ended 31 December 2023 - Continued

- d) 2023/24 Christmas Appeal Funds raised in December 2023 for Safe Families, Hope into Action, Jericho Road and Together for the Family.
- e) 2022/23 Christmas Appeal Funds raised in December 2022 for Safe Families, Open House, Jericho Road and Together for the Family.
- f) General Fund This is the balance of unrestricted funds.

**14. Analysis of Net Assets between funds
For the Year Ended 31 December 2023**

	General Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
Fixed Assets	42,499	5,534,199	5,576,698	5,650,284
Current Assets	414,810	383,670	798,480	845,439
Current Liabilities	(42,153)	(78,919)	(121,072)	(115,368)
Long Term Liabilities	-	(701,274)	(701,274)	(734,570)
Net Assets at 31.12.23	<u>415,156</u>	<u>5,137,676</u>	<u>5,552,832</u>	<u>5,645,785</u>

**14. Analysis of Net Assets between funds
For the Year Ended 31 December 2022**

	General Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
Fixed Assets	46,098	5,604,186	5,650,284	5,716,298
Current Assets	440,000	405,439	845,439	823,273
Current Liabilities	(36,449)	(78,919)	(115,368)	(121,380)
Long Term Liabilities	-	(734,570)	(734,570)	(771,267)
Net Assets at 31.12.22	<u>449,649</u>	<u>5,196,136</u>	<u>5,645,785</u>	<u>5,646,924</u>

15. Taxation

The charitable company is exempt from Corporation Tax on its charitable activities. The Elders have reviewed Cornerstone Evangelical Church's activities and are confident that they fulfil charitable aims and as such are considered to be for the primary purpose.

16. Pension Commitments

The charity contributes to a defined contribution pension scheme. The assets are held and administered by individually selected pension providers. The pension cost charge represents contributions payable by the charity to the pension scheme and amounts to £20,832 (2022: £20,019).

17. FRC Ethical Standard – Provisions Available for Small Entities

In common with many other entities of our size and nature, we use our auditors to assist with the preparation of the Financial Statements.

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Notes forming part of the Financial Statement for the Year Ended 31 December 2023 - Continued

18. Cash Flow Statement

Reconciliation of net movement in funds to net cash flow's from operating activities:

	<u>2023</u> <u>£</u>	<u>2022</u> <u>£</u>
Net incoming resources	(92,953)	(1,139)
Adjustments:		
Interest Paid	49,628	42,147
Investment Income	(7,284)	(1,849)
Depreciation Charges	92,255	93,826
(Increase)/ Decrease in Debtors	(466)	(7,959)
Increase/ (Decrease) in Creditors	5,704	(6,012)
	<u>46,884</u>	<u>119,014</u>

19. Redeemer Church – Contingent Liability

In 2017 Redeemer Church Nottingham was established using the money and people resources of Cornerstone Church.
On 1 Jul 2019 Redeemer Church became a new charitable incorporated organisation, independent of Cornerstone Church.
On 31st January 2020 Redeemer Church purchased the premises known as Beeston Town Hall for an amount of £425,000.
At their meeting on 10th December 2020 the Cornerstone members agreed to underwrite development of the Town Hall by passing the following resolution with 100% agreement.

Resolution: In the light of their partnership in the Gospel it is resolved that Cornerstone Evangelical Church stand as Guarantor for the borrowing by Redeemer Church Nottingham of £875,000 from CAF Bank for the purpose of carrying out the redevelopment of Beeston Town Hall.

20. Related Party Transactions

There are no transactions to note other than those shown in note 3.