

# **CHRIST CHURCH MANCHESTER**

(Company Limited by Guarantee)

**Company Registration Number: 06845751**

**Charity Registration Number: 1128927**

## **Annual Report and Financial Statements 31 December 2021**

# **CHRIST CHURCH MANCHESTER**

## **Annual Report and Financial Statements 2021**

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# CHRIST CHURCH MANCHESTER

## Legal and Administrative Information

For the year ended 31 December 2021

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<b>Charity Name</b>	Christ Church Manchester.
<b>Charity Registration No.</b>	1128927. The Church was registered with the Charity Commission on 1 April 2009.
<b>Company Registration No.</b>	06845751. The Church was established on 13 March 2009.
<b>Affiliations</b>	The Church is a member of the Catalyst group of churches.
<b>Principal Address</b>	Christ Church Manchester, 1 Omer Drive, Manchester, M19 2JN.
<b>The Governing Document</b>	Memorandum and Articles of Association dated 13 March 2009.
<b>Objects</b>	<p>(a) to advance the Christian faith in accordance with the statement of beliefs in Manchester and in such other parts of the United Kingdom or the world as the Trustees 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.</p> <p>(b) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind, including through the provision of counselling and support in Manchester and in such other parts of the United Kingdom or the world as the Trustees from time to time may think fit.</p>
<b>Trustees</b>	<p>The Trustees who served during the year and who were serving at the date of this report were:</p> <p>Joanna Balmforth                      Reappointed 11 March 2021 Graham Harrop Adrian Phillips Michael Read Jamie Semple Michelle Wilson</p>
<b>Key Management Personnel</b>	<p>Those in charge of directing, controlling, running and operating the Church on a day to day basis are:</p> <ul style="list-style-type: none"><li>• The Trustees</li><li>• Tim Simmonds – Church Elder</li><li>• Colin Baron – Church Elder</li></ul>
<b>Bankers</b>	<p>CAF Bank Limited 25 Kings Hill Avenue Kings Hill, West Malling Kent ME19 4JQ</p>
<b>Independent Examiner</b>	<p>John Helm ACA Tandem Accounting Limited 17 Heathville Road London N19 3AL</p>

## Annual Report of the Trustees

### For the year ended 31 December 2021

The Trustees, who are also the Directors of Christ Church Manchester, submit their annual report and the financial statements of Christ Church Manchester ("the Church") for the year ended 31 December 2021. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2015 (FRS102)) and the Financial Reporting Standard 102. The legal and administrative information set out earlier in this document forms part of this report. This report also constitutes a directors' report required by section 415 of the Companies Act 2006 as all Trustees of a charity company are directors.

#### I. Structure, Governance & Management

##### I.1 Trustees

The Trustees of the Church are responsible for the day to day management of the Church's business in accordance with the Church's objects. The Trustees are elected by the Church members. Ordinarily, one third of Trustees retire annually at the annual general meeting and are eligible for re-appointment. The Trustees meet approximately 4 times per annum to discuss a full range of matters relating to leadership, finance, fabric and general administration of the Church.

The Church maintains Trustee indemnity insurance on behalf of the Trustees.

The induction process for any individual newly-appointed as a Trustee comprises an initial meeting with the chair of the Trustees and receipt of copies of:

- the Memorandum and Articles of Association
- the most recent financial statements
- the Charity Commission's guidance 'The Essential Trustee'.

##### I.2 Church Members

Church Members are the original subscribers to the memorandum and such other persons as are admitted to membership in accordance with the rules made under the Articles of Association.

##### I.3 Risk Management

The Church's primary concern and objective is the glory of God. Whilst it is the Church's policy to trust wholly in the Lord that He will work out His purpose to this end, the Church also acknowledges that it has a responsibility, both as individual members and as a body of members, for the identification and proper management of risks faced by the Church in achieving its primary aim. The Trustees have therefore assessed the major risks to which the Church is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. These are outlined in the below table:

Category	Key Risks	Key Mitigants
Safeguarding, Health & Safety	<ul style="list-style-type: none"><li>• Major safeguarding incident</li><li>• Major health and safety incident</li></ul>	<ul style="list-style-type: none"><li>• Safeguarding policy maintained with designated safeguarding leads at each site. All volunteers, staff members, leaders and Trustees who have direct contact with children or vulnerable adults are subject to DBS checks.</li><li>• Risk assessments carried out for Church events and Sunday services; incidents and near misses reviewed at staff and Trustee meetings.</li></ul>
Financial Stability	<ul style="list-style-type: none"><li>• Overspending relative to church resources</li><li>• Sustained reductions in regular giving</li><li>• Susceptibility to periods of financial stress</li><li>• Crystallisation of uninsured losses</li></ul>	<ul style="list-style-type: none"><li>• Annual budgets prepared in advance and performance against budget monitored monthly via a dashboard accessible to Trustees and church leaders. All expenditure is subject to approval processes.</li><li>• Income streams are diversified across different Church sites and the importance of giving is regularly taught on.</li><li>• Maintenance of unrestricted free reserves based on a dynamic policy which reflects the changing risk profile of the Church.</li><li>• Insurance requirements reviewed annually as part of the renewal process.</li></ul>



## Annual Report of the Trustees

For the year ended 31 December 2021

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### Impact of COVID-19 on the Church's Operations

During the year, the Church continued to be impacted by the global COVID-19 pandemic. Government-mandated lockdown restrictions in place through the early months of 2021 led to continued use of videoconferencing for the facilitation of Sunday meetings, mid-week community groups and other activities to ensure that the Church attendees and wider public were still able to be engaged in the life of the Church. As the restrictions eased and the threat to public health reduced, the Church gradually wound down its online services and reverted to in-person meetings. As at the end of 2021, the operation of the Church has broadly returned to a state of pre-pandemic normality.

### 2. Activities & Strategies

The Church has given due regard to the Charity Commission's guidance on public benefit. To this end the Church has carried out the following activities during the year:

- A variety of weekly meetings and services have been held throughout the year through a combination of in-person gatherings and live-streams via the Zoom platform, most of which have been open for anyone to attend. Services online were phased out as social distancing restrictions eased. Christianity has been advanced through teaching, worship and prayer; faith, love for others, tolerance and generosity are promoted.
- During the year, Luther King House in Fallowfield, Kingsburn Hall in Burnage (later moving to the Heaton Centre in Heaton Moor), Ladybarn Community Centre in Withington were used as the venues of services held each Sunday, all of which have been advertised on the Church website. Part way through 2021 the Gorton service that prior to the pandemic met at St James' Conservative Club in Gorton moved to a brand new venue in Gorton built by The Oasis Centre Community Project - East Manchester ('The Oasis Centre'), a local charity (1166834) with which the Church has partnered for many years. A-Boards, banners and other signage, positioned outside the respective buildings were used to signpost the Church venues.
- During the year the Church ran a number of virtual Alpha courses where people of diverse faiths (and no faith) were able to learn about the principles of Christianity and challenged to respond to what they have heard by living wholesome lives which are pleasing to God.
- The Church continued its Broadcast ministry – providing theology training and networking opportunities for church plants across the UK and Europe, and its Schools of Theology and Ministry, which provide for free on a monthly basis training on systematic and biblical theology, and the exploration of spiritual gifts to those who wish to deepen their knowledge of these topics.
- The Church continued to invest in developing its worship ministry and made further recordings of worship music written by individuals within the Church which were released on digital purchase and streaming platforms.
- The Church has continued to develop its links with church planting activities both nationally and internationally, in line with its Objects. The Church has worked with and helped train pastors and leaders in Ukraine, Uganda and Europe.
- During the year, a small mid-week group began meeting in Reddish with the intention of planting a new site of the Church. This transitioned to a Sunday service in early 2022.
- During the year, a Spanish-speaking group began to meet in Manchester and in Rochdale, again with the hope that this would develop to become another site of the Church.

### 3. Achievements and Performance

Attendance at each of the venues has remained stable during the year. A number of people of different faiths have been welcomed into services, both in person and remotely; several have come at times of crisis and have been offered prayer and emotional support. The Church has been pleased to work with The Oasis Centre to seek to help people they refer. Church members have also donated both time and money to this organisation.

During the year the Church raised significant finance across its two Give Big Sundays (over £120,000) of which £63,000 was retained for funding new church planting initiatives and the remainder was given away to The Oasis Centre, Life Ministries Trust (a charity working with the poor in Uganda) and churches supporting the humanitarian issues caused by the war in Ukraine (most of these grants were issued within the year, though some international funds were remitted in early 2021).

## Annual Report of the Trustees

For the year ended 31 December 2021

### 4. Financial Review

#### 4.1 Financial Activity and Financial Position

The principal forms of funding are free will offerings of church members and others in attendance and grant funding.

The Statement of Financial Activities and Balance Sheet can be found on pages 9 and 10 respectively. The Church's total reserves increased by £258,189 during the year (2020: increased by £19,971 during the year). The balance sheet shows total net assets of £369,361 (2020: £111,172).

Included in total funds are amounts totalling £254,635 (2020: £26,112) which are restricted. These monies have either been raised for, and their use restricted to specific purposes, or they comprise grants subject to grantor-imposed conditions. Full details of these restricted funds can be found in note 8 to the accounts together with an analysis of movements in the year.

#### 4.2 Reserves Policy

The Trustees have examined the requirements for free reserves, i.e. those unrestricted funds not invested in tangible fixed assets. The Trustees consider that, given the nature of the Church's work, free reserves should cover:

- Staff pay covering contractual notice periods and redundancy payments (£71,048);
- 1 month venue hire (£2,688);
- a fixed sum (£3,000) for urgent help for those on mission/abroad; and
- three months of administrative expenses and committed future expenditure on other projects (£2,164); less
- a modifier reflecting the Church's diversity of income streams, set at 20% (reducing the above by £15,779)

This requirement is dynamic based on the changing nature of the Church's outgoings, and the methodology that underpins the approach is reviewed periodically. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources and will allow the Church to cope and respond to unforeseen emergencies whilst specific action plans are implemented. At 31 December 2021 the Church had net free reserves of £112,210 (2020: £81,493) as follows:

	2021 £	2020 £
<b>Total reserves</b>	<b>369,360</b>	<b>111,171</b>
Less: tangible fixed assets	(2,515)	(3,566)
Less: restricted funds	(254,635)	(26,112)
<b>Free reserves</b>	<b>112,210</b>	<b>81,493</b>
<b>Free reserve requirement</b>	<b>63,120</b>	<b>53,997</b>

At 31 December 2021, and through to the date of the signing of these financial statements, the Church has built up a free reserves surplus. The Church has developed plans to utilise the surplus, which are outlined briefly in section 5.

#### 4.3 Grants Policy

The Church ordinarily aims to make grants equivalent to approximately 10% of its incoming resources to support missionary endeavours both in the UK and abroad. The policy of the Church is to give grants on the basis that they are subject to annual review and only renewed on the basis of meeting set criteria. During the year the Church made grants of approximately 30% of incoming resources, due primarily to the additional finance raised for international COVID-19 relief.

## Annual Report of the Trustees

For the year ended 31 December 2021

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### 5. Plans for Future Periods

The Church plans to undertake the same sort of events as mentioned in section 2.

The Church has also advanced its plans to establish a further six sites or ventures which include plants in the Reddish, Denton and Northern Quarter areas of Manchester, the Hindi and Spanish speaking communities of the city, and renewed support of church planting activities in Munich. As noted above, the Church has plans to utilise its surplus reserves to fund these activities when restricted funding raised for these activities has been fully utilised.

### 6. Responsibilities of Trustees for the Financial Statements

The Trustees are responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 activities of the charity will continue.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the charity and financial information included in the charity's website.

### 7. Approval

The report of the Trustees was approved by the Trustees on 11 August 2022 and signed on its behalf by:



**Adrian Phillips**  
Trustee

## Report of the Independent Examiner to the Trustees of Christ Church Manchester For the year ended 31 December 2021

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I report on the financial statements of Christ Church Manchester for the year ended 31 December 2021, set out on pages 9 to 22.

This report is made solely to the Trustees in accordance with section 145 of the Charities Act 2011 (the Act). My independent examination has been undertaken so that I might state to the Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by the law, I do not accept responsibility to anyone other than the Church and the Trustees for my independent examination, for this report, or the opinions I have formed.

### Respective responsibilities of Trustees and examiner

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ("the 2011 Act") and that an independent examination is needed. The Church is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the Church is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2015 Act);
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2015 Act; and
- to state whether particular matters have come to my attention.

### Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### Independent examiner's statement

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 requirement 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.

*John Helm*

**John Helm ACA**

11 August 2022

# CHRIST CHURCH MANCHESTER

## Statement of Financial Activities (incorporating the Income & Expenditure Account) For the year ended 31 December 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	2	282,213	320,195	602,408	256,951	108,894	365,845
Charitable activities		-	-	-	1,155	-	1,155
Other trading activities		564	-	564	563	500	1,063
Investments		18	-	18	40	-	40
Other income		7,223	500	7,723	9,547	-	9,547
<b>Total Income</b>		<b>290,018</b>	<b>320,695</b>	<b>610,713</b>	<b>268,256</b>	<b>109,394</b>	<b>377,650</b>
<b>Expenditure on:</b>	3						
Charitable activities		249,790	91,515	341,305	229,716	115,392	345,108
Raising funds		10,562	657	11,219	2,857	9,715	12,572
<b>Total Expenditure</b>		<b>260,352</b>	<b>92,172</b>	<b>352,524</b>	<b>232,573</b>	<b>125,107</b>	<b>357,680</b>
<b>Net income / (expenditure) before tax</b>		<b>29,666</b>	<b>228,523</b>	<b>258,189</b>	<b>35,683</b>	<b>(15,713)</b>	<b>19,970</b>
Tax payable	4	-	-	-	-	-	-
<b>Net income / (expenditure) after tax</b>		<b>29,666</b>	<b>228,523</b>	<b>258,189</b>	<b>35,683</b>	<b>(15,713)</b>	<b>19,970</b>
<b>Total funds brought forward</b>		<b>85,059</b>	<b>26,112</b>	<b>111,171</b>	<b>49,376</b>	<b>41,825</b>	<b>91,201</b>
<b>Total funds carried forward</b>		<b>114,725</b>	<b>254,635</b>	<b>369,360</b>	<b>85,059</b>	<b>26,112</b>	<b>111,171</b>

# CHRIST CHURCH MANCHESTER

## Balance Sheet

As at 31 December 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
<b>Fixed Assets</b>							
Tangible assets	5	2,515	-	2,515	3,566	-	3,566
<b>Current Assets</b>							
Debtors	6	27,290	-	27,290	23,388	-	23,388
Cash at bank and in hand		89,510	254,635	344,145	61,629	26,112	87,741
		<b>116,800</b>	<b>254,635</b>	<b>371,435</b>	<b>85,017</b>	<b>26,112</b>	<b>111,129</b>
Creditors - Amounts Falling Due Within One Year	7	4,590	-	4,590	3,524	-	3,524
<b>Net Current Assets</b>		<b>112,210</b>	<b>254,635</b>	<b>366,845</b>	<b>81,493</b>	<b>26,112</b>	<b>107,605</b>
<b>Net Assets</b>	8	<b>114,725</b>	<b>254,635</b>	<b>369,360</b>	<b>85,059</b>	<b>26,112</b>	<b>111,171</b>
Represented by:							
Restricted Funds	9	-	254,635	254,635	-	26,112	26,112
Unrestricted Funds		114,725	-	114,725	85,059	-	85,059
<b>Total Income Funds</b>		<b>114,725</b>	<b>254,635</b>	<b>369,360</b>	<b>85,059</b>	<b>26,112</b>	<b>111,171</b>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 December 2021 and no notice requiring an audit has been deposited under section 476.

The Trustees acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with section 386 of the Companies Act 2006
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial period and of its profit or loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as is applicable to the company.

The financial statements were approved by the Trustees on 11 August 2022 and signed on its behalf by:



**Jamie Semple**  
Trustee

Company number: 6845751

# CHRIST CHURCH MANCHESTER

## Cash Flow Statement

For the year ended 31 December 2021

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
<b>Cash flows from operating activities</b>						
Net income for the year	29,666	228,523	258,189	35,683	(15,713)	19,970
<b>Adjustments for:</b>						
Investment income received	(18)	-	(18)	(40)	-	(40)
Write-down of obsolete inventory	-	-	-	1,760	-	1,760
Depreciation of fixed assets	2,582	-	2,582	2,795	-	2,795
(Increase)/decrease in debtors	(3,902)	-	(3,902)	(5,041)	-	(5,041)
Increase/(decrease) in creditors	1,066	-	1,066	(3,091)	-	(3,091)
<b>Net cash flows from operating activities</b>	<b>29,394</b>	<b>228,523</b>	<b>257,917</b>	<b>32,066</b>	<b>(15,713)</b>	<b>16,353</b>
<b>Cash flows used in investing activities</b>						
Investment income received	18	-	18	40	-	40
Purchase of fixed assets	(1,531)	-	(1,531)	(4,483)	-	(4,483)
<b>Net cash flows from investing activities</b>	<b>(1,513)</b>	<b>-</b>	<b>(1,513)</b>	<b>(4,443)</b>	<b>-</b>	<b>(4,443)</b>
<b>Net increase in cash and cash equivalents</b>	<b>27,881</b>	<b>228,523</b>	<b>256,404</b>	<b>27,623</b>	<b>(15,713)</b>	<b>11,910</b>
Cash and cash equivalents at the beginning of the year	61,629	26,112	87,741	34,006	41,825	75,831
Cash and cash equivalents at the end of the year	89,510	254,635	344,145	61,629	26,112	87,741

## Notes to the Financial Statements

For the year ended 31 December 2021

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### **I. Accounting Policies**

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

#### **Basis of accounting**

The financial statements have been prepared under the Charities Act 2011, The Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting.

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

The financial statements include all transactions, assets and liabilities for which the Church is responsible in law. They do not include the accounts of church groups that owe an affiliation to another body or those that are informal gatherings of Church members.

The Church meets the definition of a public benefit entity under FRS 102.

#### **Going Concern**

The Trustees have reviewed the continued impact of the COVID-19 pandemic on the Church's operations and have noted the further increases in free unrestricted reserves during 2021; reserves which at the time of publishing of these financial statements are in the process of being actively managed down in support of the Church's objectives. Having also reviewed the Elders' plans for the activities of the Church for the year ahead, the Trustees are satisfied that there are no material uncertainties in relation to going concern and the financial statements have been prepared on the going concern basis.

#### **Income recognition**

Voluntary income and donations (including legacies) are accounted for once the Church has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be reliably measured. Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

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.

#### **Expenditure recognition**

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. The Church is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Charitable expenditure includes those costs in fulfilling the Church's principal objects, as outlined in the Report of the Church. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the Church's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Church.
- Governance costs comprise all costs involving the public accountability of the Church and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

The Church pays pension contributions into defined contribution personal pension plans and contributions payable to the schemes are accounted for on an accruals basis.



## Notes to the Financial Statements

For the year ended 31 December 2021

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### **Tangible fixed assets**

The cost of furniture, fittings and equipment (where £500 or more) is capitalised. The cost, less any expected residual value, is depreciated on a straight line basis over the effective useful life of the asset, which has been estimated as three years.

### **Stocks**

The Church may from time to time hold a small amount of stock for books written by Church employees that are purchased as part of associated publishing arrangements. Stocks are carried at cost and assessed periodically for obsolescence. Upon sale of a book, revenue is recognised within sale income and the cost is amortised through cost of sales.

### **Debtors**

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

### **Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

### **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising 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 recognised at their settlement amount.

### **Financial instruments**

The Church only 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### **Fund accounting**

The funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

### **Key accounting judgements and sources of estimation uncertainty**

The trustees have made no key judgments which have a significant effect on the accounts, and do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

# CHRIST CHURCH MANCHESTER

## Notes to the Financial Statements

For the year ended 31 December 2021

### 2. Income

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
Donations and legacies						
Offerings and donations	242,816	295,801	538,617	217,785	76,586	294,371
Income tax reclaimed	39,397	12,584	51,981	39,166	12,566	51,732
Grants	-	11,810	11,810	-	19,742	19,742
	<b>282,213</b>	<b>320,195</b>	<b>602,408</b>	<b>256,951</b>	<b>108,894</b>	<b>365,845</b>
						-
Charitable activities						
Conference income	-	-	-	1,155	-	1,155
Other trading activities						
Book income	47	-	47	184	-	184
Music revenue	517	-	517	380	-	380
Service income	-	-	-	-	500	500
	<b>564</b>	<b>-</b>	<b>564</b>	<b>564</b>	<b>500</b>	<b>1,064</b>
Investments						
Bank interest	18	-	18	40	-	40
Other income						
Furlough pay reclaimed	7,223	-	7,223	4,811	-	4,811
Event income	-	500	500	-	-	-
Insurance claims	-	-	-	4,736	-	4,736
	<b>7,223</b>	<b>500</b>	<b>7,723</b>	<b>9,547</b>	<b>-</b>	<b>9,547</b>
	<b>290,018</b>	<b>320,695</b>	<b>610,713</b>	<b>268,257</b>	<b>109,394</b>	<b>377,651</b>

During the year the Church claimed £7,223 (2020: £4,811) under the Coronavirus Job Retention Scheme. The grants were provided on the condition that the employees whose wages were being subsidised were either fully or partially furloughed. As these conditions were fulfilled prior to the grant being made, there are no outstanding unfulfilled conditions in relation to these grants.

# CHRIST CHURCH MANCHESTER

## Notes to the Financial Statements

For the year ended 31 December 2021

### 3. Expenditure

#### 3a Expenditure on Charitable Activities

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
Provision of Church Leaders						
Gross salary	168,746	14,680	183,426	143,945	4,024	147,969
Employers National Insurance	13,822	819	14,641	11,684	434	12,118
Employer Allowance	(4,000)	-	(4,000)	(4,000)	-	(4,000)
Pension contributions	16,752	1,362	18,114	14,851	402	15,253
Statutory pay recovered	-	-	-	(306)	-	(306)
	<b>195,320</b>	<b>16,861</b>	<b>212,181</b>	<b>166,174</b>	<b>4,860</b>	<b>171,034</b>
Church Life & Outreach						
Advertising & website	6,987	875	7,862	7,564	-	7,564
Evangelism, outreach & wider church	597	-	597	1,818	-	1,818
Training & conferences	4,507	415	4,922	5,357	-	5,357
Children & youth (incl child protection)	2,515	-	2,515	2,634	909	3,543
Membership & community	1,450	-	1,450	753	-	753
Organisations & events	4,400	-	4,400	7,774	-	7,774
Visiting speakers	219	400	619	1,100	-	1,100
Catering & refreshments	1,988	-	1,988	888	-	888
Music (incl equipment & licences)	1,350	-	1,350	2,310	-	2,310
Grants & gifts (see note below)	951	71,698	72,649	925	109,607	110,532
Expenses - telephony costs	670	-	670	1,023	-	1,023
Expenses - domestic travel	1,348	-	1,348	1,808	-	1,808
Expenses - international travel	484	-	484	1,134	-	1,134
Expenses - subsistence	401	-	401	426	-	426
	<b>27,867</b>	<b>73,388</b>	<b>101,255</b>	<b>35,514</b>	<b>110,516</b>	<b>146,030</b>
Provision of venues, facilities, equipment & transport						
Hall hire	13,296	-	13,296	9,990	-	9,990
Covid expenses	177	-	177	559	-	559
Small equipment/equipment repairs	1,290	1,033	2,323	5,244	-	5,244
Depreciation	2,582	-	2,582	2,795	-	2,795
	<b>17,345</b>	<b>1,033</b>	<b>18,378</b>	<b>18,588</b>	<b>-</b>	<b>18,588</b>
Office Costs						
Organisational subscriptions (incl data protection)	48	-	48	210	-	210
Printing, stationery, postage & telephone	262	-	262	1,918	-	1,918
Office equipment & software	2,326	219	2,545	1,684	-	1,684
Insurance	1,416	-	1,416	1,148	-	1,148
Payroll services	1,488	-	1,488	1,067	-	1,067
Bank charges	430	14	444	460	16	476
Other	255	-	255	89	-	89
	<b>6,225</b>	<b>233</b>	<b>6,458</b>	<b>6,576</b>	<b>16</b>	<b>6,592</b>
Governance						
Professional fees (incl independent examination)	1,110	-	1,110	1,020	-	1,020
Staff costs	1,923	-	1,923	1,844	-	1,844
	<b>3,033</b>	<b>-</b>	<b>3,033</b>	<b>2,864</b>	<b>-</b>	<b>2,864</b>
	<b>249,790</b>	<b>91,515</b>	<b>341,305</b>	<b>229,716</b>	<b>115,392</b>	<b>345,108</b>

# CHRIST CHURCH MANCHESTER

## Notes to the Financial Statements

For the year ended 31 December 2021

### 3b Expenditure on raising funds

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
Music production						
Staff costs	10,182	-	10,182	232	9,630	9,862
Production costs	200	-	200	333	-	333
Advertising and promotion	57	-	57	225	-	225
Training	-	-	-	85	-	85
Administration	123	-	123	222	-	222
	<b>10,562</b>	<b>-</b>	<b>10,562</b>	<b>1,097</b>	<b>9,630</b>	<b>10,727</b>
Book production						
Production costs	-	657	657	-	85	85
Cost of Sales	-	-	-	1,760	-	1,760
	<b>-</b>	<b>657</b>	<b>657</b>	<b>1,760</b>	<b>85</b>	<b>1,845</b>
	<b>10,562</b>	<b>657</b>	<b>11,219</b>	<b>2,857</b>	<b>9,715</b>	<b>12,572</b>

### 3c Staff Costs

Included within Expenditure on Charitable Activities and Expenditure on Raising funds are the following staff costs:

	2021 £	2020 £
Gross salaries	194,558	147,969
Employers National Insurance	14,693	12,118
Employer Allowance	(4,000)	(4,000)
Pension contributions	19,035	15,253
Statutory pay recovered	-	(306)
	<b>224,286</b>	<b>171,034</b>
Of which the following salaries and pension contributions were in relation to Key Management Personnel:		
Gross salary	78,817	73,516
Pension contributions	7,997	7,623
	<b>86,814</b>	<b>81,140</b>

# CHRIST CHURCH MANCHESTER

## Notes to the Financial Statements

For the year ended 31 December 2021

### 3c Staff Costs (continued)

The average number of employees during the year

Full time workers  
Part time workers  
Total  
Equiv FTE

2021 Number	2020 Number
3	2
10	8
13	10
6.6	5.2

No employee received emoluments in excess of £60,000 during the year.

In 2021 the Church made pension contributions for 13 (2020: 10) employees to a defined contribution personal pension plan, the cost to the Church being £19,035 (2020: £15,253). £537 pension contributions (2020: £329) were outstanding at the balance sheet date.

No trustees received reimbursement for expenditure incurred on behalf of the Church. Two Key Management Personnel received £2,049 (2020: £3,342) in reimbursement for expenditure (including mobile phones, travel & subsistence and hospitality) incurred in the normal course of Church business.

### 3d Gifts and grants

Included within Expenditure on Charitable Activities are the following gifts and grants:

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
To organisations:						
Barnabus Manchester	-	-	-	-	13,198	13,198
Catalyst	300	-	300	-	-	-
Catalyst COVID-19 Fund	-	-	-	-	55,538	55,538
Life Ministries Trust	-	37,500	37,500	-	-	-
The Oasis Centre	-	24,413	24,413	-	27,771	27,771
Hope for Communities	-	-	-	625	-	-
UCCF	401	198	599	-	1,100	1,100
To individuals:						
Individuals in need	250	-	250	300	-	300
Missionary support	-	9,587	9,587	-	12,000	12,000
	<b>951</b>	<b>71,698</b>	<b>72,649</b>	<b>925</b>	<b>109,607</b>	<b>110,532</b>

# CHRIST CHURCH MANCHESTER

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 4. Taxation

As a charity, the Church is exempt from tax on income and gains falling within the provisions of the Corporation Taxes Act 2010 or the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen on the Charity.

#### 5. Tangible Fixed Assets

	<b>Fixtures, Fittings and Equipment 2021 £</b>	<b>Fixtures, Fittings and Equipment 2020 £</b>
<b>Cost</b>		
At 1 January	17,968	13,485
Additions	1,531	4,483
As at 31 December	<b>19,499</b>	<b>17,968</b>
<b>Depreciation</b>		
At 1 January	14,402	11,607
Charge for year	2,582	2,795
As at 31 December	<b>16,984</b>	<b>14,402</b>
<b>Net Book Value</b>		
At 1 January	<b>3,566</b>	<b>1,878</b>
As at 31 December	<b>2,515</b>	<b>3,566</b>

All of the fixed assets are used for charitable purposes.

# CHRIST CHURCH MANCHESTER

## Notes to the Financial Statements

For the year ended 31 December 2021

### 6. Debtors

	2021 £	2020 £
Prepayments	6,365	3,117
Gift Aid receivable	20,451	15,924
Other debtors	474	4,347
	<u>27,290</u>	<u>23,388</u>

### 7. Creditors - Amounts Falling Due Within One Year

	2021 £	2020 £
Accruals	2,487	2,790
Other creditors	363	734
Deferred income	1,740	-
	<u>4,590</u>	<u>3,524</u>

# CHRIST CHURCH MANCHESTER

## Notes to the Financial Statements

For the year ended 31 December 2021

### 8. Restricted Funds

#### 8a Current year

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Andy Brownlee Gifts	485	-	-	-	485
Broadcast	10,696	5,000	(13,725)	-	1,971
Building Fund	-	175,000	-	-	175,000
Colin Baron Grants	4,719	7,310	(6,735)	-	5,294
Give Big - Mission (2018)	199	-	(199)	-	-
Give Big - Poor (2020)	10,013	-	(10,013)	-	-
Give Big - Poor (2021)	-	58,285	(49,000)	-	9,285
Give Big - Projects (2021)	-	62,600	-	-	62,600
Uganda Fund	-	12,500	(12,500)	-	-
	<b>26,112</b>	<b>320,695</b>	<b>(92,172)</b>	-	<b>254,635</b>

#### 8b Previous year

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
Broadcast	-	10,781	(85)	-	10,696
Colin Baron Grants	119	9,460	(4,860)	-	4,719
Andy Brownlee Gifts	-	500	(15)	-	485
Give Big - Mission (2018)	1,300	-	(1,101)	-	199
Give Big - Projects (2019)	9,635	(5)	(9,630)	-	-
Give Big - Poor (2019)	30,771	-	(30,771)	-	-
Give Big - Projects (2020)	-	55,538	(55,538)	-	-
Give Big - Poor (2020)	-	32,211	(22,198)	-	10,013
Youth Cares	-	909	(909)	-	-
	<b>41,825</b>	<b>109,394</b>	<b>(125,107)</b>	-	<b>26,112</b>

Descriptions of the main restricted funds are as follows:

**Andy Brownlee Gifts.** Funding received specifically towards the expenses of Andy Brownlee (one of the pastors employed by the Church).

**Broadcast.** Funding received from the Catalyst Network of Churches specifically towards the development of the Church's Broadcast initiative (church planting training delivered by webcast and other electronic means), and other materials to support those involved in church planting.



# CHRIST CHURCH MANCHESTER

## Notes to the Financial Statements

### For the year ended 31 December 2021

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#### 8. Restricted Funds (continued)

**Building Fund.** Funding received specifically for the prospective purchase or long term lease of a Church building.

**Colin Baron Grants.** Funding received specifically towards the remuneration and travel expenses of Colin Baron (one of the Key Management Personnel).

**Give Big - Mission (2018).** Funding received in 2018 specifically towards the support of evangelism, church planting and missionary endeavours, both internal and external to the Church's own activity.

**Give Big - Poor (2018).** Funding received in 2018 specifically towards the provision of grants to The Oasis Centre in Gorton and the churches in the Ukraine (being the same beneficiaries for whom funding was raised in 2017).

**Give Big - Poor (2019).** Funding received in 2019 specifically towards the provision of grants to The Oasis Centre in Gorton, and the churches in the Ukraine (being the same beneficiaries for whom funding was raised in 2018), as well as Barnabus, a charity working with the homeless in Manchester.

**Give Big - Projects (2019).** Funding received in 2019 specifically towards the School of Theology and School of Ministry training project

**Give Big - Poor (2020).** Funding received in 2020 specifically towards the provision of grants to The Oasis Centre in Gorton, and the churches in the Ukraine (being the same beneficiaries for whom funding was raised in 2019), as well as Barnabus, a charity working with the homeless in Manchester. The payment to these beneficiaries was outstanding at the balance sheet date.

**Give Big - Projects (2020).** Funding received in 2020 specifically towards Catalyst Churches COVID-19 support appeal, which provided funds to the Catalyst Network of Churches around the world to provide financial support to poor communities during the COVID-19 crisis.

**Give Big - Poor (2021).** Funding received in 2021 specifically towards the provision of grants to The Oasis Centre in Gorton, churches in the Ukraine (being the same beneficiaries for whom funding was raised in 2019 and 2020), as well as Life Ministries Trust, a charity working with the poor primarily in Uganda and Rwanda. The payment to these beneficiaries was outstanding at the balance sheet date. The funds raised for the Ukrainian churches were intended to be granted during early 2022, however following the invasion of Ukraine by the Russian Federation during early 2022, the Church was unable to remit funds to the churches it had previously worked with given these churches were primarily in contested areas of Ukraine. Following discussions with the Trustees, Church attendees were informed that the funds would be redirected to a church in Poland that was supporting Ukrainian war refugees.

**Give Big - Projects (2021).** Funding received in 2021 specifically towards the new site-planting initiatives outlined in section 5 of the Trustee's Report.

**Uganda Fund.** Funding received in 2021 specifically towards the funding of medical staff working with Life Ministries Trust in Uganda.

**Youth Cares.** Funding received from youth members of the Church in 2020 specifically towards The Stephen Lawrence Trust and the Kids Of Colour charity.

## Notes to the Financial Statements

For the year ended 31 December 2021

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### 9. Related Party Transactions

Colin Baron, one of the key management personnel, received gross remuneration of £43,966 (2020: £40,235) and pension contributions of £4,397 (2020: £4,023) during the year in his employed capacity of Church Elder and New Frontiers Representative.

Tim Simmonds, one of the key management personnel, received gross remuneration of £34,852 (2020: £33,282) and pension contributions of £3,600 (2020: £3,600) during the year in his employed capacity of Church Elder.

The aggregate donations made by Trustees was £26,875 (2020: £29,440).

Arlo Accountancy Limited (company number 10997645), a company solely owned by Adrian Phillips, a trustee of the Church, received reimbursement of £173 (2020: £115) in relation to the provision of discounted accounting software.

### 10. Members Funds

The company is a private company limited by guarantee with no share capital. The liability of the members is limited to £10.