

Aigburth Community Church

Report and Accounts

Year ended 31 July 2021

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

AIGBURTH COMMUNITY CHURCH
CHARITY INFORMATION
FOR THE YEAR ENDED 31 JULY 2021

Trustees	Stephen Palframan Jeremy Clark Richard Moss Edward Peck Tommy Farrell Paul Hewitt Maurice Kinnaird (appointed 5 September 2021) Jonathan Critchley (appointed 5 September 2021)
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Governing Document	Deed of Trust dated 30 March 2009
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Charity Registration Number	1129291
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Principal Address	20 Woodland Road Aigburth Liverpool L17 0AW
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Independent Examiner	Archie McDowall Stewardship 1 Lamb's Passage London EC1Y 8AB
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AIGBURTH COMMUNITY CHURCH
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 JULY 2021

The trustees have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

The charity is a trust and is governed by its Trust Deed. The objects of the charity, as set out in the governing document are:

- a) the advancement of the Christian faith in the UK and the world, through the training and development of Christian ministers, the support of Christian mission, and church planting initiatives.
- b) the relief of hardship and sickness by provision of funds, goods and services in the UK and the world.

Summary of the charity's main activities and achievements

To further the above objects and vision, the charity's main activities and achievements were as follows:

Regular public meetings on Sundays, midweek gatherings, training of staff through conferences, apprenticeships and learning, teaching of the Christian faith in a variety of contexts and meetings and events for enquirers into the Christian faith.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

Structure, Governance and Management

Responsibility for setting policy and for determining the parameters within which the charity should operate rests with the trustees who meet regularly to monitor the activities of the charity. New trustees are recruited and appointed by the spiritual leadership, by a majority vote].

Financial review

During the year income increased by £132,903, to £319,126, and expenditure decreased by £7,678, to £158,814. As a result surplus for the year increased by £140,581, to £160,312 and the charity's net assets increased by the same amount, to £251,866. Net current assets decreased by £55,988, to £35,686.

Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of between £49,000 and £56,200 to take account of risks to future changes in fundraising, potential large items of expenditure that might be required at short notice, future needs for building maintenance and investment, and future plans to invest in staff training. At the year end, the charity held unrestricted cash of £82,945 which is in excess of the policy because members had increased their giving and expenditure had been lower because of Covid. The excess amount will be used to reduce the level of the mortgage once the ongoing effects of Covid are clearer.

Key risks and uncertainties

The charity is exposed to various risks - be they operational, financial or reputational. The trustees review the charity's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks.

AIGBURTH COMMUNITY CHURCH
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 JULY 2021

Responsibilities of trustees under charity law

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They 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.

Approval

This report was approved by the trustees and signed on their behalf by:

Paul Hewitt

Paul Thomas Hewitt

Date: 30 May 2022

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
AIGBURTH COMMUNITY CHURCH
('the Charity')

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 July 2021 on pages 7 to 12 following, which have been prepared on the basis of the accounting policies set out on pages 7 to 8.

Responsibilities and basis of report

As the charity's trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of Scotland, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Archie McDowall
Institute of Chartered Accountants of Scotland

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 31 May 2022

AIGBURTH COMMUNITY CHURCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	153,102	157,827	310,929	171,267
Charitable activities	4	8,189	-	8,189	14,934
Investments	6	8	-	8	22
Total income and endowments		161,299	157,827	319,126	186,223
EXPENDITURE ON:					
Charitable activities	5	118,908	39,906	158,814	166,492
Total expenditure		118,908	39,906	158,814	166,492
Net income/(expenditure)		42,391	117,921	160,312	19,731
Transfers between funds	14	(14,658)	14,658	-	-
Net movement in funds		27,733	132,579	160,312	19,731
Reconciliation of funds:					
Total funds brought forward		54,725	36,849	91,574	71,843
Total funds carried forward	14	82,458	169,428	251,886	91,574

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

All income and expenditure derive from continuing operations.

The notes on page 7-12 form part of these accounts.

AIGBURTH COMMUNITY CHURCH

BALANCE SHEET

AS AT 31 JULY 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
FIXED ASSETS					
Tangible assets	7	162,382	156,989	319,371	-
		<u>162,382</u>	<u>156,989</u>	<u>319,371</u>	<u>-</u>
CURRENT ASSETS					
Debtors	8	259	-	259	-
Cash at bank and in hand	9	82,945	12,438	95,384	91,574
		83,204	12,438	95,643	91,574
CREDITORS: Amounts falling due within one year	10	(59,957)	-	(59,957)	-
Net current assets / (liabilities)		<u>23,248</u>	<u>12,438</u>	<u>35,686</u>	<u>91,574</u>
Total assets less current liabilities		<u>185,630</u>	<u>169,427</u>	<u>355,058</u>	<u>91,574</u>
CREDITORS: Amounts falling due after more than one year	11	(103,172)	-	(103,172)	-
TOTAL NET ASSETS		<u>82,458</u>	<u>169,427</u>	<u>251,886</u>	<u>91,574</u>
FUND BALANCES	14				
Unrestricted Funds		82,458	-	82,458	91,574
Restricted Funds		-	169,427	169,427	-
		<u>82,458</u>	<u>169,427</u>	<u>251,886</u>	<u>91,574</u>

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Paul Hewitt

Paul Hewitt

Date: 30 May 2022

Charity number: 1129291

The notes on page 7-12 form part of these accounts.

AIGBURTH COMMUNITY CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2021

1 Statutory Information

The charity is Trust registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The previous year's accounts were prepared using the receipts and payments basis but, this year, the charity was obliged to prepare its accounts using the accruals basis. The charity did not have any significant assets or liabilities at 31 July 2020 and 31 July 2019 and the charity has not had to re-state the results reported previously.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes recoverable gift aid, which is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events and courses and from letting the charity's facilities for the benefit of the local community.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

AIGBURTH COMMUNITY CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2021

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold property	Over 100 years
Furniture and equipment	Over 5 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

i) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

j) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	2021	2020
	£	£
Donations of cash and similar	262,198	155,683
Grants receivable	48,730	15,584
	<u>310,929</u>	<u>171,267</u>

4 Income from charitable activities

	2021	2020
	£	£
Church retreats and other activities	-	3,753
Letting of facilities to benefit the local community	8,189	11,182
	<u>8,189</u>	<u>14,934</u>

AIGBURTH COMMUNITY CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2021

5 Charitable expenditure

	2021	2020
a Costs incurred directly on specific activities		
Staff costs	91,500	92,236
Staff accommodation	23,809	17,420
Travel and subsistence (including mission travel and visa expenses)	365	8,725
Training	4,175	4,455
Events and retreats	236	4,485
Other ministry expenses	3,181	4,255
Small items of equipment	3,758	2,219
Repairs and maintenance	4,293	1,387
Venue hire	479	5,658
Utilities	4,824	5,626
	<u>136,621</u>	<u>146,465</u>
Grants payable (note 5c)	15,166	15,276
	<u>151,787</u>	<u>161,741</u>
b Costs incurred on support & administration		
Governance costs		
Independent examiner's fee for preparing and examining the accounts	1,500	-
Administrative expenses	683	658
Subscriptions payable to FIEC	1,845	2,179
Legal and professional fees	1,007	1,914
Depreciation of tangible fixed assets	948	-
Mortgage interest	1,045	-
	<u>7,027</u>	<u>4,751</u>
Total expenditure	<u>158,814</u>	<u>166,492</u>

The fee payable to the independent examiner for preparing and examining the accounts was £1,500; in addition the charity paid £2,051 to Stewardship for payroll bureau and mortgage services.

c Grants payable

The charity paid the following grants to institutions to promote UK and overseas mission:

	2021	2020
	£	£
Radstock Ministries	10,318	11,841
Trinity Church Everton	2,200	2,000
UFM	1,360	1,360
Holy Foundation Baptist Church, Mongolia	1,288	-
Grants to institutions for less than £1,000 each	-	75
	<u>15,166</u>	<u>15,276</u>

6 Analysis of staff costs, the cost of key management personnel and trustee remuneration

The average monthly number of employees during the year was 5. Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees named on the Charity Information page. Total employment benefits payable to key management for the year were as follows:

	Wages & salaries	Employer pension contributions	2021
			£
Trustees:			
Stephen Palframan	25,340	3,734	29,074
Tommy Farrell	27,231	2,723	29,954
			<u>59,028</u>

Stephen Palframan and Tommy Farrell served as church leaders and received the above payments for serving in that capacity, not for serving as trustees; these payments are permitted by the charity's governing document.

In addition the charity made payments totalling £12,000 to Stephen Palframan for a property that he owns and uses as a manse. The provision of manse to church leaders is customary and allows them to better perform their duties.

AIGBURTH COMMUNITY CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2021

7 Tangible fixed assets

	Freehold Property £	Furniture & Equipment £	Total 2021 £
Cost			
At 1 August 2020	-	-	-
Additions	307,251	13,068	320,319
At 31 July 2021	<u>307,251</u>	<u>13,068</u>	<u>320,319</u>
Accumulated depreciation			
At 1 August 2020	-	-	-
Charge for the year	512	436	948
At 31 July 2021	<u>512</u>	<u>436</u>	<u>948</u>
Net book value			
At 31 July 2021	<u>306,739</u>	<u>12,632</u>	<u>319,371</u>
At 31 July 2020	<u>-</u>	<u>-</u>	<u>-</u>

8 Debtors

	2021 £	2020 £
Other debtors	259	-
	<u>259</u>	<u>-</u>

9 Cash at Bank and in Hand

	2021 £	2020 £
Cash at bank with immediate access	95,384	91,574
	<u>95,384</u>	<u>91,574</u>

10 Creditors: liabilities falling due within one year

	2021 £	2020 £
Trade creditors	12,768	-
Accruals	1,500	-
Mortgage	45,689	-
	<u>59,957</u>	<u>-</u>

11 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Mortgage	103,172	-
	<u>103,172</u>	<u>-</u>

12 Loans and finance leases

The liabilities for the mortgage referred to in notes 10 and 11 fall due for repayment as follows:

	Otherwise than by instalments	By instalments	Mortgage 2021 £	2020 £
Repayable:				
Within one year	40,000	5,689	45,689	-
Between one and five years	-	23,660	23,660	-
After five years	-	79,512	79,512	-
	<u>40,000</u>	<u>108,861</u>	<u>148,861</u>	<u>-</u>

The mortgage referred to in the above notes is secured on the charity's property, which has been pledged as security for the mortgage. Interest is payable at a variable rate, which at the balance sheet date was 3.8%. The charity repaid £40,000 shortly after the year end and the remainder of the loan is being repaid in monthly instalments and must be repaid in full by 2038.

AIGBURTH COMMUNITY CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2021

13 Pension commitments

During the year employer's pension contributions totalling £7,846 were payable to defined contribution personal pension schemes. No pension contributions were owing at the balance sheet date (2020: £nil).

14 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Closing balance 2021 £
<i>Restricted funds</i>					
Building fund	20,692	131,171	(891)	6,017	156,989
Missionary support fund	-	1,452	(9,400)	8,641	693
Ministry training fund	6,726	7,780	(9,006)	-	5,500
Ministry staff fund	9,431	17,423	(20,608)	-	6,245
	-				-
	36,848	157,827	(39,906)	14,658	169,427
<i>Unrestricted Funds</i>	54,726	161,299	(118,908)	(14,658)	82,458
Aggregate of funds	91,574	319,126	(158,814)	-	251,886

During the year, the trustees transferred funds from the general fund to:

- the **Building** fund to meet a shortfall between the cash paid on the completion of the property purchase and the donations received.
- the **Ministry** training fund to clear a deficit that would have been reported otherwise.

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	General funds £	Restricted funds £	2021 £
Tangible fixed assets	162,382	156,989	319,371
Debtors	259	-	259
Cash at bank and in hand	82,945	12,438	95,384
Creditors falling due within one year	(59,957)	-	(59,957)
Creditors falling due after one year	(103,172)	-	(103,172)
	82,458	169,427	251,886

The **Building** fund was created from donations received to help purchase a building for use in the charity's activities. This building was purchased during the year from the donations received and a mortgage. The carried forward balance on the building fund is represented by the portion of the purchase price funded by donations less the restricted fund's share of the annual charge for depreciation.

The **Missionary support** fund was created from donations received to help support UK and overseas mission.

The **Ministry training** fund was created from donations received to help train ministers.

The **Ministry staff** fund was created from donations received to help employ a minister.

16 Transactions with related parties

Except for the reimbursement of expense incurred when acting as agent for the charity, or incurred when undertaking employment duties, no expenses were paid to (or for) the trustees.

Except as disclosed in note 6 'Analysis of staff costs', there have been no other transactions with related parties during the year.

AIGBURTH COMMUNITY CHURCH
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 JULY 2021

	Note	Unrestricted funds				Unrestricted funds			
		General	Designated	Restricted	Total	General	Designated	Restricted	Total
		2021	2021	2021	2021	2020	2020	2020	2020
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:									
Donations and legacies	3	153,102	-	157,827	310,929	110,228	-	61,039	171,267
Charitable activities	4	8,189	-	-	8,189	14,934	-	-	14,934
Investments	6	8	-	-	8	22	-	-	22
Total income and endowments		161,299	-	157,827	319,126	125,184	-	61,039	186,223
EXPENDITURE ON:									
Charitable activities:	5	118,908	-	39,906	158,814	132,502	-	33,990	166,492
Total Expenditure		118,908	-	39,906	158,814	132,502	-	33,990	166,492
Net income/(expenditure)		42,391	-	117,921	160,312	(7,318)	-	27,049	19,731
Transfers between funds	14	(14,658)	14,658	-	-	-	-	-	-
Net movement in funds		27,733	14,658	117,921	160,312	(7,318)	-	27,049	19,731
Reconciliation of funds:									
Total funds brought forward		54,725	-	36,849	91,574	62,043	-	9,800	71,843
Total funds carried forward	14	82,457	14,658	154,770	251,886	54,725	-	36,849	91,574