

# **THE CITY CHURCH**

Report and Financial Statements  
for the year ended 31 August 2021

Company number: 6732225

Registered charity number: 1130031

# THE CITY CHURCH

## Trustees' Report and Financial Statements for the year ended 31 August 2021

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Company number	6732225
Registered charity number	1130031
Secretary	Mr S D Clark
Trustees	Mrs K Bailey Mr J P Christopher Mr S D Clark Mr P E Gregory Mr C Pickford Mr M S Segal Mr T J Wilson
Registered office:	44 St Peter's Street Canterbury Kent CT1 2BG
Independent examiner	Mr C M Geary

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# THE CITY CHURCH

## Trustees' Report

The Trustees present their annual report and financial statements of The City Church for the year ended 31 August 2021.

The City Church is a company limited by guarantee, and it is registered as a charity with the Charity Commission. Its principal address is 44 St. Peter's Street, Canterbury, Kent, CT1 2BG.

### **Principal activity**

The objectives of The City Church are the advancement of the Christian religion according to evangelical and biblical principles.

### **Trustees**

The trustees during the year were as follows:

Mrs K Bailey

Mr J P Christopher

Mr S D Clark

Mr P E Gregory – appointed 13 May 2021

Mr C Pickford – appointed 17 January 2022

Mr S J Rose – resigned 15 September 2021

Mr M S Segal

Mr T J Wilson

All of the trustees are also directors of the company.

### **Review of activities and achievements**

The church is led by a four man Eldership team, with one being a full-time employee (and two being directors in addition). In addition another Elder is in the process of being appointed to further strengthen the leadership team. They are supported in the day-to-day operations by a team of twelve men and women comprising five full-time, five part-time, and two voluntary staff.

The Covid-19 pandemic has had a significant impact on the day to day operations of the church during the year, with in person meetings suspended for much of the year due to lockdown restrictions, and most of our other regular church activities also impacted. The church was able to adapt quickly and services moved to live online services hosted from our church offices. Where possible other activities and meetings have continued and moved online using Zoom and other online meeting tools. Towards the end of the year when restrictions were relaxed we were able to begin gathering in person again and move towards a resumption of normal Sunday activities.

During the year the church continued a social action project to support those impacted by the pandemic. The Buddy scheme matched up families in need with members of the church who could support them by delivering food parcels and arranging other help where necessary. During the first lockdown we supported 54 families with over 600 food parcels, and continue to maintain contact with some families who have ongoing needs.

# THE CITY CHURCH

## Trustees' Report

(continued)

Prior to the pandemic weekly worship meetings were held at St Stephens School in Canterbury, and these have resumed since the easing of restrictions. Likewise the other church activities and programmes listed below were largely suspended or else moved online during the pandemic, but have since resumed following the easing of restrictions:-

- Weekly and monthly prayer meetings.
- Weekly Small Groups where church members meet in small gatherings usually 8 – 16 in number. These meetings include, inter alia, worship, prayer and Bible study.
- Children's work is undertaken primarily on Sunday mornings.
- Regular youth work takes place during the week with some combined events during weekends or mid-week.
- A "Coffee and Chaos" meeting is held during the week for mothers and toddlers.
- "Pursuit" is a weekly meeting for broadly 18 – 30 year olds for praise, worship, prayer and teaching.
- "Make Lunch" is an outreach project designed to engage with and provide food during school holidays for families reliant on school dinners.
- Various Alpha courses are held to enable non-Christians to discuss and find out more about Christianity. During the year these have included courses for adults, students and youth.
- Various community events take place throughout the year, including Wine & Wisdom evenings.
- The church also runs marriage enrichment courses.
- The church also works with other churches in Canterbury to support various community initiatives such as Street Pastors and Healing on the Streets.
- Volunteer workers undertake a formal teaching programme during their designated period to equip them for future roles and leadership either in the church or elsewhere.

Despite the impact of the pandemic the church has continued to thrive, with finances remaining stable and increasing engagement with mid-week Small Groups where they have moved online. As a church we have been called to be an equipping and sending church, yet despite some members moving on during the year on missional activities the church continues to attract new members, and as a result membership has remained fairly constant.

A main objective of the church is the advancement of the Christian Religion and to this end the church has supported various churches in the East Kent region as well as church plants into continental Europe. In previous years we have sent church members to begin church plants in France (Lille), Finland (Helsinki), Colchester (UK), Whitfield (UK) and a Gospel Plant into Sheppey (UK), and we continue to support these ventures financially.

Currently the church rents accommodation for administrative offices and various Church meetings. However, it aims to buy premises and with this in mind it has built up a "Building Fund" over a number of years to achieve this purpose.

# THE CITY CHURCH

## Trustees' Report

(continued)

### Review of Finances

The statement of financial activities for the year is set out on page 5. A summary of the financial results is set out below.

The Charity's income during the year was £498,000, and expenses were also £498,000. All donated income is derived from Church members and no outside fund raising is undertaken. All funds donated to the Charity are used either for the day-to-day operation and meetings of the Church or to further Christian work in the UK or overseas in accordance with the objectives of the Charity. A separate building fund is maintained as funds are raised towards a new building project, and this has continued to grow.

Despite the impact of the pandemic and lack of physical meetings, regular monthly giving has been sustained at a high level, which has allowed the Church to maintain its day-to-day operations and its general cash reserves. These general reserves are important, enabling the Church to meet any additional expenditure and to support any new Church work or project.

A prime objective of the Church is to give away an average of 10% of unrestricted income each year to support the advancement of the Christian religion in the UK and overseas. During the period covered by these accounts the amount given away or set aside for church planting projects has met this target.

### Trustees' responsibilities regarding the financial statements

Company law requires the trustees to prepare financial statements which give a true and fair view of the state of affairs of the Church and of the income and expenditure of the Church for that period. In preparing those financial statements, the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, 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 assume that the Church will continue in existence.

The trustees have overall responsibility for ensuring that the Church has an appropriate system of controls, financial and otherwise. They are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Church and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 in preparing the annual report and financial statements of the Church.

.....  
S D Clark

..... 2022

# **Independent Examiner's Report to the Trustees of THE CITY CHURCH**

I report to the trustees on my examination of the accounts of The City Church (the church) for the year ended 31 August 2021, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the related Notes to the accounts.

## **Respective responsibilities of Trustees and Examiner**

The church's trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. I am qualified to undertake the examination by being a member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility :

- to examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 church 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 the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts. My report is limited to those matters set out in the statement below.

## **Independent examiner's statement**

I confirm that no matter has come to my attention in connection with the examination giving me reasonable cause to believe:

- 1    accounting records were not kept in respect of the church in accordance with section 130 of the 2011 Act; or
- 2    the accounts do not accord with those records; or
- 3    the accounts do not comply with the accounting requirements of the 2011 Act.

I have not come across any other matter in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Christopher Geary**  
Chartered Accountant  
Geary Partnership  
Church Hill Farm, Elmstone, Canterbury, Kent, CT3 1HN

..... 2022

# THE CITY CHURCH

## Statement of Financial Activities for the year ended 31 August 2021

		Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
	Note	£	£	£	£
<b>INCOME &amp; EXPENDITURE</b>					
<b>Income</b>					
Donations		390,658	99,139	489,797	488,096
Charitable activities	3	3,076	-	3,076	12,789
Interest receivable		5,911	-	5,911	1,926
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		399,645	99,139	498,784	502,811
<b>Expenditure</b>					
Charitable activities & support costs	4	(434,360)	(64,387)	(498,747)	(533,377)
		<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenses) before transfers		(34,715)	34,752	37	(30,566)
Transfers between funds		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		(34,715)	34,752	37	(30,566)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<hr/> 1,006,649	<hr/> -	<hr/> 1,006,649	<hr/> 1,037,215
Total funds carried forward		<hr/> 971,934	<hr/> 34,752	<hr/> 1,006,686	<hr/> 1,006,649

# THE CITY CHURCH

## Balance Sheet at 31 August 2021

		2021		2020	
	Note	£	£	£	£
<b>Tangible fixed assets</b>					
Equipment	5		11,261		9,255
<b>Current assets</b>					
Debtors	6	114,958		193,466	
Bank balances		883,222		821,918	
		<u>998,180</u>		<u>1,015,384</u>	
<b>Current liabilities</b>					
Creditors due within one year	7	(2,755)		(17,990)	
<b>Net current assets</b>			995,425		997,394
<b>Net assets</b>			<u>1,006,686</u>		<u>1,006,649</u>

REPRESENTED BY:

### Funds

Unrestricted funds	971,934	1,006,649
Restricted funds	34,752	-
	<u>1,006,686</u>	<u>1,006,649</u>

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

For the year ended 31 August 2021, the company was entitled to exemption from audit under section 477 of the Companies Act 2006, and no notice has been deposited under section 476.

The trustees, who are also the directors of the company, acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

These financial statements were approved and authorised for issue by the Board on ..... 2022.

.....  
S D Clark

Company number: 6732225



# THE CITY CHURCH

## Statement of Cash Flows for the year ended 31 August 2021

	2021		2020	
	£	£	£	£
Operating activities				
Net income/(expenditure) for the year		37		(30,566)
Adjustments				
Interest received		(5,911)		(1,926)
Depreciation		2,958		6,183
Movements in working capital				
(Increase)/decrease in debtors		28,508		10,516
Increase/(decrease) in creditors		(15,235)		4,141
		<hr/>		<hr/>
Cash generated by/(used in) charitable operations		10,357		(11,652)
Investing activities				
Equipment purchased	(4,964)		(2,699)	
Loan repaid by Hope Church, Wymondham	50,000		51,750	
Interest received	5,911		1,926	
	<hr/>		<hr/>	
Net cash flows from investing activities		50,947		50,977
		<hr/>		<hr/>
Net increase/(decrease) in cash and cash equivalents		61,304		39,325
Cash and cash equivalents at beginning of year		821,918		782,593
		<hr/>		<hr/>
Cash and cash equivalents at end of year		883,222		821,918
		<hr/>		<hr/>
REPRESENTED BY:				
Bank balances		883,222		821,918
		<hr/>		<hr/>

# THE CITY CHURCH

## Notes to the financial statements for the year ended 31 August 2021

### 1 General information

The City Church is a public benefit entity and a company limited by guarantee and has no share capital. It is a registered charity.

### 2 Accounting policies

#### Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Church and which have not been designated for other purposes.

Designated funds comprise unrestricted funds which have been put aside at the discretion of the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions declared by their donors.

#### Income

All income is included in the Statement of Financial Activities when the Church is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Expenditure on charitable activities comprises all expenditure incurred directly in pursuance of the Church's charitable objectives. Governance costs are those costs incurred in connection with administration of the Church and compliance with constitutional and statutory requirements. No amounts are included in the financial statements for the value of services donated by volunteers.

#### Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and included at cost. Depreciation is provided on fixed assets at an annual rate of 20% on a straight line basis, over their expected useful lives.

# THE CITY CHURCH

## Notes to the financial statements for the year ended 31 August 2021 (continued)

### 3 Income from charitable activities

	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
	£	£	£	£
Receipts from social & church activities	3,076	-	3,076	8,036
Other income	-	-	-	4,753
	<u>3,076</u>	<u>-</u>	<u>3,076</u>	<u>12,789</u>

### 4 Expenditure

	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
	£	£	£	£
Salaries	238,568	21,232	259,800	277,813
Pension costs	17,874	1,535	19,409	22,009
Staff expenses	1,870	41	1,911	1,674
Operational costs	29,574	344	29,918	36,747
Communications/IT	8,028	-	8,028	7,528
Meetings	10,687	303	10,990	24,417
Projects & Ministries	8,066	7,113	15,179	25,271
Training	1,041	24	1,065	204
Gifts for others	-	8,219	8,219	23,349
Global Community	63,168	17,718	80,886	42,000
Tithes – paid out	50,761	7,858	58,619	62,040
Building project fees	565	-	565	2,942
Accounts examination fee	1,200	-	1,200	1,200
Depreciation	2,958	-	2,958	6,183
	<u>434,360</u>	<u>64,387</u>	<u>498,747</u>	<u>533,377</u>

The average number of employees was 11 (2020: 13).  
No employee received remuneration above £60,000.

# THE CITY CHURCH

## Notes to the financial statements for the year ended 31 August 2021 (continued)

### 5 Fixed assets

	£
Equipment	
Cost	
Brought forward	30,920
Additions	4,964
Disposals	-
	<hr/>
Carried forward	35,884
	<hr/>
Accumulated depreciation	
Brought forward	21,665
Charge for the year	2,958
Disposals	-
	<hr/>
Carried forward	24,623
	<hr/>
Net book value	
Brought forward	9,255
	<hr/>
Carried forward	11,261
	<hr/>

### 6 Debtors

	2021	2020
	£	£
Loan to Hope Church, Wymondham	75,000	125,000
Income tax recovered	34,247	60,423
Other debtors & prepayments	5,711	8,043
	<hr/>	<hr/>
	114,958	193,466
	<hr/>	<hr/>

### 7 Creditors – due within one year

	2021	2020
	£	£
Creditors & accruals	2,252	12,315
Deferred income	503	5,675
	<hr/>	<hr/>
	2,755	17,990
	<hr/>	<hr/>

# THE CITY CHURCH

## Notes to the financial statements for the year ended 31 August 2021 (continued)

### 8 Restricted funds

	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Carried forward £
Whitstable Community Church	-	28,262	28,262	-	-
Global Community	-	62,658	27,906	-	34,752
Gifts for others	-	8,219	8,219	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	-	99,139	64,387	-	34,752
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### 9 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	11,261	-	11,261
Debtors & prepayments	108,549	6,409	114,958
Bank balances	854,293	28,929	883,222
Creditors due within one year	(2,169)	(586)	(2,755)
	<hr/>	<hr/>	<hr/>
Net assets	971,934	34,752	1,006,686
	<hr/>	<hr/>	<hr/>