

# **THE CITY CHURCH**

Report and Financial Statements  
for the year ended 31 August 2022

Company number: 6732225

Registered charity number: 1130031

# THE CITY CHURCH

## Trustees' Report and Financial Statements for the year ended 31 August 2022

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Company number	6732225
Registered charity number	1130031
Secretary	Mr S D Clark
Trustees	Mrs K Bailey Mr S D Clark Mr P E Gregory Mr C Pickford Mr M S Segal Mr T J Wilson
Registered office:	34a Simmonds Road Wincheap Industrial Estate Canterbury Kent CT1 3RA
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 2022.

The City Church is a company limited by guarantee, and it is registered as a charity with the Charity Commission. Its principal address is 34a Simmonds Road, Wincheap Industrial Estate, Canterbury, Kent, CT1 3RA.

### **Principal activity**

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

### **Trustees**

The trustees, who are also directors of the company, were as follows during the year:

Mrs K Bailey  
Mr J P Christopher - resigned 18 January 2023  
Mr S D Clark  
Mr P E Gregory  
Mr C Pickford - appointed 17 January 2022  
Mr S J Rose - resigned 15 September 2021  
Mr M S Segal  
Mr T J Wilson

### **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). Following the end of this financial year another Elder has been appointed to further strengthen the leadership team. They are supported in the day-to-day operations by a team of ten men and women comprising five full-time and five part-time staff.

Following the end of the Covid-19 pandemic the church returned to meeting in person and resuming all regular activities. The church continues to utilise technology developed during the lockdown period to stream Sunday meetings to reach a wider audience and provide access to those who are unable to come to church services in person. Since returning to meeting in person the church has significantly grown such that alternative venues are being investigated.

During the year the church continued a social action project to support those in the local community in need. We also reviewed and relaunched our membership values to better reflect our mission statement and ethos as a church.

# THE CITY CHURCH

## Trustees' Report

(continued)

Weekly worship meetings were held at St Stephens School in Canterbury. Other church activities and programmes listed below continued throughout the year:-

- 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.
- 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.

Post-pandemic the church has continued to thrive, with finances remaining stable, Sunday attendance and Small Groups significantly increasing. 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 and the impacts of the pandemic 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 £491,000, and expenses were £520,000. 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.

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

18 May 2023

# **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 2022, 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

18 May 2023



# THE CITY CHURCH

## Statement of Financial Activities for the year ended 31 August 2022

		Unrestricted funds	Restricted funds	Total funds 2022	Total funds 2021
	Note	£	£	£	£
<b>INCOME &amp; EXPENDITURE</b>					
<b>Income</b>					
Donations		400,941	75,957	476,898	489,797
Grant		-	1,875	1,875	-
Charitable activities – church & social			12,157	-	12,157
	3,076				
Interest receivable		591	-	591	5,911
Total income		413,689	77,832	491,521	498,784
<b>Expenditure</b>					
Charitable activities & support costs	3	(452,163)	(68,084)	(520,247)	
	(498,747)				
Net income/(expenses) before transfers			(38,474)	9,748	(28,726)
	37				
Transfers between funds		-	-	-	-
Net movement in funds		(38,474)	9,748	(28,726)	37
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		971,934	34,752	1,006,686	1,006,649
Total funds carried forward		933,460	44,500	977,960	1,006,686

# THE CITY CHURCH

## Balance Sheet at 31 August 2022

		2022	2021
	Note	£	£
<b>Tangible fixed assets</b>			
Equipment	4	11,584	11,261
<b>Current assets</b>			
Debtors	5	72,085	114,958
Bank balances		910,266	883,222
		982,351	998,180
<b>Current liabilities</b>			
Creditors due within one year	6	(15,975)	(2,755)
<b>Net current assets</b>		966,376	995,425
<b>Net assets</b>		977,960	1,006,686

REPRESENTED BY:

## Funds

Unrestricted funds	933,460	971,934
Restricted funds	44,500	34,752
	<u>977,960</u>	<u>1,006,686</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 2022, 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 18 May 2023.

.....  
S D Clark

Company number: 6732225

# THE CITY CHURCH

## Statement of Cash Flows for the year ended 31 August 2022

	2022		2021	
	£	£	£	£
Operating activities				
Net income/(expenditure) for the year			(28,726)	37
Adjustments				
Interest received		(591)		(5,911)
Depreciation		3,778		2,958
Movements in working capital				
(Increase)/decrease in debtors		(7,127)		28,508
Increase/(decrease) in creditors			13,220	
		(15,235)		
Cash generated by/(used in) charitable operations		(19,446)		10,357
Investing activities				
Equipment purchased	(4,101)		(4,964)	
Loan repaid by Hope Church, Wymondham	50,000		50,000	
Interest received	591		5,911	
Net cash flows from investing activities			46,490	50,947
Net increase/(decrease) in cash and cash equivalents			27,044	61,304
Cash and cash equivalents at beginning of year	883,222		821,918	
Cash and cash equivalents at end of year			910,266	
	883,222			
REPRESENTED BY:				
Bank balances		910,266		883,222

# THE CITY CHURCH

## Notes to the financial statements for the year ended 31 August 2022

### 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 2022 (continued)

### 3 Expenditure

	Unrestricted funds	Restricted funds	Total funds 2022	Total funds 2021
	£	£	£	£
Salaries	212,668	-	212,668	259,800
Pension costs	16,199	-	16,199	19,409
Staff costs	1,757	144	1,901	1,911
Sabbatical costs	2,578	-	2,578	-
Operational costs	33,913	-	33,913	29,918
Communications/IT	8,134	28	8,162	8,028
Meetings	20,294	426	20,720	10,990
Projects & Ministries	28,479	97	28,576	15,179
Training	2,864	450	3,314	1,065
Gifts for others	-	33,388	33,388	8,219
Global Community	-	32,328	32,328	80,886
Tithes - paid out	44,985	1,223	46,208	58,619
Building refurbishment & fees	75,314	-	75,314	565
Accounts examination fee	1,200	-	1,200	1,200
Depreciation	3,778	-	3,778	2,958
	<u>452,163</u>	<u>68,084</u>	<u>520,247</u>	<u>498,747</u>

The average number of employees was 10 (2021: 11).  
No employee received remuneration above £60,000.

### 4 Fixed assets

	£
Equipment	
Cost	
Brought forward	35,884
Additions	4,101
	<u>39,985</u>
Accumulated depreciation	
Brought forward	24,623
Charge for the year	3,778
	<u>28,401</u>
Net book value	

Brought forward	11,261
	<u><u>          </u></u>
Carried forward	11,584
	<u><u>          </u></u>

# THE CITY CHURCH

## Notes to the financial statements for the year ended 31 August 2022 (continued)

### 5 Debtors

	2022 £	2021 £
Loan to Hope Church, Wymondham	25,000	75,000
Income tax recovered	38,386	34,247
Other debtors & prepayments	8,699	5,711
	<u>72,085</u>	<u>114,958</u>

### 6 Creditors - due within one year

	2022 £	2021 £
Creditors & accruals	6,189	2,252
Deferred income	9,786	503
	<u>15,975</u>	<u>2,755</u>

### 7 Restricted funds

	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Carried forward £
Sheppey	-	13,245	2,368	-	10,877
Global Community	34,752	31,199	32,328	-	33,623
Gifts for others	-	33,388	33,388	-	-
	<u>34,752</u>	<u>77,832</u>	<u>68,084</u>	<u>-</u>	<u>44,500</u>

### 8 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	11,584	-	11,584
Debtors & prepayments	65,175	6,910	72,085
Bank balances	868,558	41,708	910,266
Creditors due within one year	(11,857)	(4,118)	(15,975)



Net assets	933,460	44,500	977,960
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