

**Charity Registration No. 1132699**

**Company Registration No. 06940221 (England and Wales)**

**THE C3 CHURCH**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# THE C3 CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Steve Campbell Alison Seekings Peter Goodliffe Anna Harvey Stephen Ansa-Addo Elspeth Darley Timothy Pilkington	(Appointed 24 September 2020) (Appointed 28 January 2021) (Appointed 22 July 2021)
<b>Leadership team</b>	Steve Campbell Angie Campbell Joshua Campbell Katie Campbell Holly Miller Robert Allin John Wilson	
<b>Charity number</b>	1132699	
<b>Company number</b>	06940221	
<b>Registered office</b>	C3 Centre 2 Brooks Road Cambridge Cambridgeshire United Kingdom CB1 3HR	
<b>Auditor</b>	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough United Kingdom PE1 2SP	

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# THE C3 CHURCH

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# THE C3 CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 DECEMBER 2020*

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The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### **Objectives and activities**

The objects of the charity laid down in the Memorandum and Articles of Association are, for the benefit of the public:

- To advance the Christian faith in accordance with the statement of beliefs;
- To relieve sickness and financial hardship and to promote and preserve good health; and
- To advance education

in such ways and in such parts of the United Kingdom or the world as the trustees from time to time may think fit.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The core activities undertaken to further the objects of the charity are:

- Conducting meetings;
- Running a church centre;
- Organising activities and groups;
- Safeguarding procedures associated with children's and youth activities; and
- Working closely with other Christian organisations.

These activities have been reviewed to ensure they continue to reflect our aims and they have remained unchanged since the last annual report of the trustees.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### **Achievements and performance**

Despite a global pandemic 2020 was another year of developing opportunities for The C3 Church ('C3') however the methods of delivery had to change in order to serve the congregation and wider community through long periods of lockdown. At the beginning of March 2020 as it became clear that the UK was about to enter a period of lockdown the leadership team reviewed the resources available and agreed that everything should be focussed into either Content (production and delivery of digital content for online platforms) or Care (enhancing the work of C3 Impact into the community).

# THE C3 CHURCH

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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Existing and new initiatives that have taken place both online and physically when permitted include:

- |                              |                                     |
|------------------------------|-------------------------------------|
| - The Alpha Course           | - Youth and children programmes     |
| - Prayer Events              | - CAP Job Club                      |
| - Baptisms                   | - Foodbank distribution point       |
| - Breathe Women's events     | - The C3 Academy                    |
| - Ascend Men's events        | - Marriage and Parenting Courses    |
| - Wellbeing courses          | - C3 Impact Hubs                    |
| - Sunday Services            | - Parent and toddler support groups |
| - Leadership training events | - Worship events                    |
| - Weddings                   | - Global Leadership Summit          |
| - Young Adult events         | - Business and workplace events     |
| - Discipleship courses       | - Griefshare Courses                |

Whilst many of the above activities had to move to online platforms, wherever feasible the initiatives were continued given the significant benefit to the wider community and church members alike. In particular the activities of C3 Impact through community hubs were significantly enhanced as a response to the needs arising from the covid pandemic and C3 were able to offer much needed support to vulnerable local people and act as a signpost to other support services.

The above activities and initiatives would not be able to take place without the generous giving through tithes, offerings and other donations of the C3 congregation and community. We are also grateful to have received significant grant funding during 2020 primarily to support the work of C3 Impact during the pandemic from the following: Stewardship Services Rapid Relief Fund; DEFRA; DCMS via Church Restoration Trust; Cambridge Community Foundation; Cambridge City Council; Cambridge City Foodbank; Cole Charitable Trust; The Co-op Local Community Fund; Acts 435; Kingsgate Community Church; Samaritans Purse and Transforming Lives for Good. Through this support over 133,000 meals were provided to individuals and families in need.

Sunday services moved to online platforms during lockdown and whilst in person meeting were re-introduced when permitted subject to the necessary restrictions and social distancing, all services have continued to be streamed online. The priority has been on ensuring that engagement with worship, prayer and teaching has been fully accessible to all members and for many the move to online has increased the accessibility to church.

### UK Charities and Connections

As with last year we have continued to develop and strengthen very positive relationships with a number of national charities and groups that are making significant impact on various sectors of society. Whilst many in person courses had to be suspended, other online support provisions were introduced. These include:

- Christians Against Poverty (CAP) - We continued with the Job Club, Release and Money courses.
- Trussell Trust - An umbrella organisation for the many Foodbanks in the UK. As one of the founding organisations of the Cambridge City Foodbank we continue to be involved in particular acting as a distribution centre.
- Hope for Justice - Our Abolition group have carried out awareness and fundraising activities to support this national charity that works to eradicate modern day slavery.
- Hope into Action - We continued to work with Hope into Action having partnered with them on two houses in the city.
- Transforming Lives for Good - We established a partnership with Transforming Lives for Good working into local schools to bring hope and a future to struggling children.
- Acts 435 - We have been able to secure a number of donations to help those with specific needs who did not have the resources themselves.

# THE C3 CHURCH

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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- Stewardship Services - Stewardship continue to provide us with a mortgage for our building of the C3 Centre in Cambridge and we continue to have a very positive relationship with them. The C3 Centre has been instrumental in assisting us to expand our activities and community outreach.
- Cinnamon Network - Enabling people and resources to transform their communities and help those in social need. We have consulted with them for advice and partnership.
- Church Networks - We continue to work with a number of networks including Ground Level, Hillsong and Eurolead.

Additionally, we have sought to keep a global perspective in working with individuals, groups and churches across the world. This has included:

- Support of Joel and Claire Harri in their mission endeavors supporting church planting situation across the globe.
- Support for Generation to Generation (G2G).
- Watoto although the annual visit of the choir was unable to be hosted.
- Samaritans Purse. Primarily through the Shoe Box appeal which runs each Christmas time.
- Donations to various global aid and relief charities including World Vision and Tearfund.

### **Volunteer team**

To continue our activities, we are dependent on volunteers who freely give of their time and skills to ensure the efficient and smooth operation of all that we engage in. The effectiveness of C3 Impact was significantly enhanced by many individuals who were able to volunteer whilst on furlough from their employment. We are very grateful to all those who were able to volunteer to enable those who were shielding and most vulnerable to be supported.

One trustee is remunerated as senior pastor. All other trustees are volunteers who give considerable input and expertise to enable C3 to carry out its duties to what we consider to be a very high standard.

We are also extremely grateful for the wisdom and input from our International Advisory Board (IAB) of Kate Coleman, Paul Reid and Jeff Lucas. The in-person meeting scheduled in 2020 unfortunately had to be postponed due to the covid pandemic but was held in early 2021.

### **Future Developments 2021**

- Having secured a favourable agreement with Colchester Borough Council to lease the Abbeyfields Community Centre, we will start another multisite expression of C3 in Colchester in addition to Bury St Edmunds, Cambridge and Online.
- Further support and enhance the work of C3 Impact with an upgrade to the kitchen facilities at the C3 Centre, Cambridge.
- Continue to deliver relevant content for the congregation and wider community through a range of digital platforms.

### **Financial review**

The statement of financial activities is set out on page 10 of these financial statements. A summary of the financial results is set out below:

### **Income generation**

The principal source of income comprises tithes and offerings from members. Unrestricted donations and legacies received in the year totalled £1,616,187 (2019 - £1,663,843). Including this, total unrestricted income for the year was £1,688,322 (2019 - £1,883,149) and total restricted income was £117,217 (2019 - £55,066).

# THE C3 CHURCH

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Investment policy

The charity has adopted a policy of investing in low risk investment accounts with CAF Bank, Triodos Bank and Stewardship Services.

### Fund raising

The charity relies on voluntary donations from its members for its income. The charity does not employ professional fund raising bodies.

### Changes in fixed assets

Details of fixed asset movements are set out in note 12.

### Restricted funds

Details of the restricted funds held in the year are set out in note 19.

### Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately two months' unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs. Unrestricted funds were maintained above this level throughout the period. The charity held free reserves of £452,674 (2019: £357,732) at the year-end which equates to close to four months unrestricted expenditure. The improvement in 2020 resulted from a six-month capital repayment holiday on the mortgage and income received from the government furlough scheme. With the planned expenditure on the C3 Centre kitchen and support of the Colchester multisite it is anticipated these levels will drop back to nearer two months' unrestricted expenditure during 2021. The trustees will keep the level of reserves required under regular review.

### Structure, governance and management

The trustees have considered the key operational, financial, and strategic risks that have a bearing on the charity. Suitable management information is available to the trustees on a regular basis to monitor these risks, and allow any mitigating action to be taken to address them.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Steve Campbell	
Howard Kettel	(Resigned 25 November 2020)
Kevin McIntyre	(Resigned 22 July 2021)
Alison Seekings	
Peter Goodliffe	
Anna Harvey	
Stephen Ansa-Addo	(Appointed 24 September 2020)
Elsbeth Darley	(Appointed 28 January 2021)
Timothy Pilkington	(Appointed 22 July 2021)

The church activities are led by the leadership team. Trustees are selected by the other members of the trustee board. New trustees are approached from amongst the church membership. They are provided with an induction to explain the operations of the charity and their associated responsibility as trustees. Copies of the Charity Commission guidance are provided. The trustees meet approximately four times a year to review strategy, performance, operating plans, budgets and building matters. Operational decisions are delegated to the leadership team.

# **THE C3 CHURCH**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

### **Alison Seekings**

Dated: 29 September 2021



# THE C3 CHURCH

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### *FOR THE YEAR ENDED 31 DECEMBER 2020*

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The trustees, who are also the directors of The C3 Church for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate 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 Companies Act 2006. 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.

# THE C3 CHURCH

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE C3 CHURCH

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### Opinion

We have audited the financial statements of The C3 Church (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# THE C3 CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE C3 CHURCH

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### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# THE C3 CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE C3 CHURCH

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### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**

29 September 2021

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
United Kingdom  
PE1 2SP

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# THE C3 CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

### Current financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
	Notes					
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	1,211,810	404,377	98,929	1,715,116	1,694,847
Charitable activities	4	61,319	-	18,288	79,607	164,615
Investments	5	1,894	-	-	1,894	1,868
Other income	6	8,922	-	-	8,922	26,885
<b>Total income</b>		<b>1,283,945</b>	<b>404,377</b>	<b>117,217</b>	<b>1,805,539</b>	<b>1,888,215</b>
<b><u>Expenditure on:</u></b>						
Charitable activities	7	1,189,103	520,059	42,418	1,751,580	1,754,611
<b>Net income for the year/ Net movement in funds</b>		<b>94,842</b>	<b>(115,682)</b>	<b>74,799</b>	<b>53,959</b>	<b>133,604</b>
Fund balances at 1 January 2020		357,832	4,086,663	30,554	4,475,049	4,341,445
<b>Fund balances at 31 December 2020</b>		<b>452,674</b>	<b>3,970,981</b>	<b>105,353</b>	<b>4,529,008</b>	<b>4,475,049</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE C3 CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

Prior financial year

		Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes				
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	1,080,970	582,873	31,004	1,694,847
Charitable activities	4	140,553	-	24,062	164,615
Investments	5	1,868	-	-	1,868
Other income	6	26,885	-	-	26,885
<b>Total income</b>		<b>1,250,276</b>	<b>582,873</b>	<b>55,066</b>	<b>1,888,215</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	7	1,181,412	484,367	88,832	1,754,611
Gross transfers between funds		-	(5,217)	5,217	-
<b>Net income for the year/ Net movement in funds</b>		<b>68,864</b>	<b>93,289</b>	<b>(28,549)</b>	<b>133,604</b>
Fund balances at 1 January 2019		288,968	3,993,374	59,103	4,341,445
<b>Fund balances at 31 December 2019</b>		<b>357,832</b>	<b>4,086,663</b>	<b>30,554</b>	<b>4,475,049</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE C3 CHURCH

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	12	5,844,178		6,030,197	
Investments	13	100		100	
		<u>5,844,278</u>		<u>6,030,297</u>	
<b>Current assets</b>					
Debtors	15	67,109		65,686	
Cash at bank and in hand		619,680		495,702	
		<u>686,789</u>		<u>561,388</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(227,364)</u>		<u>(224,369)</u>	
Net current assets		459,425		337,019	
<b>Total assets less current liabilities</b>		<u>6,303,703</u>		<u>6,367,316</u>	
<b>Creditors: amounts falling due after more than one year</b>	18	(1,774,695)		(1,892,267)	
<b>Net assets</b>		<u><u>4,529,008</u></u>		<u><u>4,475,049</u></u>	

# THE C3 CHURCH

## BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

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	Notes	2020 £	£	2019 £	£
<b>Income funds</b>					
Restricted funds	19	105,353		30,554	
Unrestricted funds - designated		3,970,981		4,086,663	
Unrestricted funds - general		452,674		357,832	
		<u>4,529,008</u>		<u>4,475,049</u>	

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year 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 applicable to the company.

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

The accounts were approved by the Trustees on 29 September 2021

Alison Seekings  
**Trustee**

**Company Registration No. 06940221**



# THE C3 CHURCH

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	24		433,397		514,008
<b>Investing activities</b>					
Proceeds on disposal of intangibles		-		850	
Purchase of tangible fixed assets		(194,031)		(243,887)	
Proceeds on disposal of tangible fixed assets		317		-	
Investment income received		1,894		1,868	
<b>Net cash used in investing activities</b>			(191,820)		(241,169)
<b>Financing activities</b>					
Repayment of borrowings		-		(10,000)	
Repayment of bank loans		(117,599)		(179,633)	
<b>Net cash used in financing activities</b>			(117,599)		(189,633)
<b>Net increase in cash and cash equivalents</b>			123,978		83,206
Cash and cash equivalents at beginning of year			495,702		412,496
<b>Cash and cash equivalents at end of year</b>			619,680		495,702

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# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity information

The C3 Church is a private company limited by guarantee incorporated in England and Wales. The registered office is C3 Centre, 2 Brooks Road, Cambridge, Cambridgeshire, CB1 3HR, United Kingdom.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. In arriving at this conclusion the trustees have considered the uncertainty regarding the ongoing impact of COVID and whilst the full impact is as yet unknown, they believe that appropriate steps have been taken to mitigate the impact and that they do have sufficient reserves to enable the charity to operate through this period.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	4% straight line on buildings. No depreciation on land.
Plant and equipment	25% straight line
Motor vehicles	10% or 20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/(expenditure) for the year.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 3 Donations and legacies

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2020	Total 2019
	£	£	£	£	£
Donations and gifts	1,171,693	404,377	98,929	1,674,999	1,694,847
Grant income	40,117	-	-	40,117	-
	<u>1,211,810</u>	<u>404,377</u>	<u>98,929</u>	<u>1,715,116</u>	<u>1,694,847</u>
<b>For the year ended 31 December 2019</b>	<u>1,080,970</u>	<u>582,873</u>	<u>31,004</u>		<u>1,694,847</u>

### 4 Charitable activities

	2020 £	2019 £
Courses and equipping events	59,346	111,552
Resource sales	20,261	53,063
	<u>79,607</u>	<u>164,615</u>
Analysis by fund		
Unrestricted funds - general	61,319	140,553
Restricted funds	18,288	24,062
	<u>79,607</u>	<u>164,615</u>

### 5 Investments

	2020 £	2019 £
Interest receivable	<u>1,894</u>	<u>1,868</u>

### 6 Other income

	2020 £	2019 £
Other income	<u>8,922</u>	<u>26,885</u>

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Charitable activities

	2020 £	2019 £
Staff costs	491,060	410,867
Audio and visual	48,903	34,690
Conferences, training and resources	59,485	104,600
Cost of goods sold	850	5,616
Ministry expenses - telephone	1,433	1,495
Ministry expenses - travel	958	3,998
Ministry expenses - other	3,193	4,056
Mission and evangelism	122,625	139,030
Projects expenditure - vision expenses	8,334	56,538
Families, children and youth work expenses	16,397	19,221
	<u>753,238</u>	<u>780,111</u>
Grant funding of activities (see note 8)	54,131	58,132
Share of support costs (see note 9)	932,557	887,591
Share of governance costs (see note 9)	11,654	28,777
	<u>1,751,580</u>	<u>1,754,611</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	1,189,103	1,181,412
Unrestricted funds - designated	520,059	484,367
Restricted funds	42,418	88,832
	<u>1,751,580</u>	<u>1,754,611</u>

### 8 Grants payable

	2020 £	2019 £
Grants to institutions:		
Grants payable in furtherance of the charity's objects	<u>54,131</u>	<u>58,132</u>

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 9 Support costs

	Support costs £	Governance costs £	2020 £	2019 £
Staff costs	307,032	-	307,032	280,364
Depreciation	379,733	-	379,733	354,491
Interest payable and bank charges	84,814	-	84,814	84,076
Office expenses	33,303	-	33,303	25,839
Sundry expenses	2,036	-	2,036	1,853
Insurance	17,409	-	17,409	18,133
Light and heat	27,228	-	27,228	30,454
Maintenance	60,312	-	60,312	70,916
Marketing	13,122	-	13,122	18,645
Minibus expenses	7,568	-	7,568	2,820
Audit fees	-	5,492	5,492	5,323
Accountancy	-	2,844	2,844	18,548
Legal and professional	-	3,318	3,318	4,906
	<u>932,557</u>	<u>11,654</u>	<u>944,211</u>	<u>916,368</u>
Analysed between				
Charitable activities	<u>932,557</u>	<u>11,654</u>	<u>944,211</u>	<u>916,368</u>

Governance costs includes payments to the auditors of £5,492 (2019- £5,323) for audit fees.

### 10 Trustees and key management personnel remuneration and expenses

Mr S Campbell, a trustee, received £53,500 (2019 - £60,500) in respect of ministry salary during the period and was reimbursed expenses of £1,851 (2019 - £3,685). The reduction in salary follows a review of senior pastors' salaries which are now split equally between Mr S and Mrs A Campbell.

Four members of the family of one trustee, Mr S Campbell, were also employed by the charity. Their total remuneration was £139,960 (2019: six members of two families - £134,711)

The charity considers its key management personnel to be the eight (2019 - three) members of the leadership team. The total amount of remuneration received by key management personnel (excluding pension) was £285,110 (2019 - £143,194).

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 11 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Leadership team	8	3
Ministry	2	6
Administration	16	15
Children and youth	4	4
Other	1	2
Total	31	30

The full time equivalent number of employees during the year was:

	2020 Number	2019 Number
Leadership team	7	2
Ministry	1	5
Administration	11	10
Children and youth	3	3
Other	1	1
Total	23	21

### Employment costs

	2020 £	2019 £
Wages and salaries	704,418	600,084
Social security costs	57,081	48,160
Other pension costs	36,593	42,987
	798,092	691,231

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£60,000 - £70,000	-	1



# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 12 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2020	6,805,263	875,015	38,637	7,718,915
Additions	-	168,891	25,140	194,031
Disposals	(7,428)	(145,253)	-	(152,681)
At 31 December 2020	6,797,835	898,653	63,777	7,760,265
<b>Depreciation and impairment</b>				
At 1 January 2020	1,177,739	490,026	20,953	1,688,718
Depreciation charged in the year	213,311	158,627	7,795	379,733
Eliminated in respect of disposals	(7,428)	(144,936)	-	(152,364)
At 31 December 2020	1,383,622	503,717	28,748	1,916,087
<b>Carrying amount</b>				
At 31 December 2020	5,414,213	394,936	35,029	5,844,178
At 31 December 2019	5,627,524	384,989	17,684	6,030,197

### 13 Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 January 2020 & 31 December 2020	100
<b>Carrying amount</b>	
At 31 December 2020	100
At 31 December 2019	100

## THE C3 CHURCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
***FOR THE YEAR ENDED 31 DECEMBER 2020***

<b>14</b>	<b>Financial instruments</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	<b>Carrying amount of financial assets</b>		
	Debt instruments measured at amortised cost	38,274	32,476
	Equity instruments measured at cost less impairment	100	100
		<u>          </u>	<u>          </u>
	<b>Carrying amount of financial liabilities</b>		
	Measured at amortised cost	1,984,765	2,104,817
		<u>          </u>	<u>          </u>
<b>15</b>	<b>Debtors</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>		
	Trade debtors	13,135	5,005
	Other debtors	25,139	27,471
	Prepayments and accrued income	28,835	33,210
		<u>          </u>	<u>          </u>
		67,109	65,686
		<u>          </u>	<u>          </u>
<b>16</b>	<b>Loans and overdrafts</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Bank loans	1,910,313	2,027,912
		<u>          </u>	<u>          </u>
	Payable within one year	135,618	135,645
	Payable after one year	1,774,695	1,892,267
		<u>          </u>	<u>          </u>

The long-term loans are secured by fixed charges over the assets of the charity. One trustee and some other members of the church had provided certain personal guarantees to the lender but these were released during the year.

17	Creditors: amounts falling due within one year		2020 £	2019 £
		Notes		
	Bank loans	16	135,618	135,645
	Other taxation and social security		17,294	11,819
	Trade creditors		37,818	55,630
	Other creditors		150	-
	Accruals and deferred income		36,484	21,275
			<u>227,364</u>	<u>224,369</u>

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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**18 Creditors: amounts falling due after more than one year**

	Notes	2020 £	2019 £
Bank loans	16	1,774,695	1,892,267
		<u>1,774,695</u>	<u>1,892,267</u>

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

### 19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020
	£	£	£	£	£	£	£	£
Look Cambridge asset fund	1,354	-	(346)	-	1,008	-	(346)	662
Look Cambridge fund	32,645	9,572	(32,215)	-	10,002	-	(6,838)	3,164
Amey Community fund grant	5,403	-	(3,857)	-	1,546	-	(75)	1,471
Cambridge City Council grant	18,923	-	(7,996)	-	10,927	-	(527)	10,400
Mission gifts	778	45,494	(44,418)	5,217	7,071	16,934	(21,555)	2,450
Love Your Neighbour	-	-	-	-	-	95,537	(13,077)	82,460
WBCHub	-	-	-	-	-	4,746	-	4,746
	<u>59,103</u>	<u>55,066</u>	<u>(88,832)</u>	<u>5,217</u>	<u>30,554</u>	<u>117,217</u>	<u>(42,418)</u>	<u>105,353</u>

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **19 Restricted funds**

**(Continued)**

The Look Cambridge fund represents monies to support community and social action projects.

The Amey Community and Cambridge City Council grants have been expended on community facilities at the C3 centre, but remain restricted due to an ongoing requirement to use the facilities for community purposes for a period of 5 and 11 years respectively.

The special offerings fund represents offerings taken for a specific purpose or charity. The transfer relates to funds spent on fixed assets, and have been transferred to designated funds.

The mission gifts fund represents donations received for specific missionary beneficiaries overseas.

The Love Your Neighbour fund represents a grant received from Church Revitalisation Trust to respond to the needs of the most vulnerable and marginalised people affected by the COVID-19 crisis.

The WBCHub fund represents donations pledged specifically to the operation of our community hub based in Waterbeach, Cambridge in partnership with St John's the Evangelist Church.

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Movement in funds				
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£	£	£	£	£
Vision fund	35,391	582,873	(101,096)	(456,338)	60,830	404,377	(115,523)	(327,519)	22,165
Barnabas fund	51,870	-	(50,812)	35,970	37,028	-	(48,275)	38,731	27,484
Fixed assets: special offerings	2,409	-	(2,398)	-	11	-	(11)	-	-
Fixed assets: property fund	3,647,922	-	(219,725)	171,415	3,599,612	-	(219,725)	112,142	3,492,029
Fixed assets: other assets	255,782	-	(110,336)	243,736	389,182	-	(136,525)	176,646	429,303
	<u>3,993,374</u>	<u>582,873</u>	<u>(484,367)</u>	<u>(5,217)</u>	<u>4,086,663</u>	<u>404,377</u>	<u>(520,059)</u>	<u>-</u>	<u>3,970,981</u>

The Barnabas designated fund represents funds transferred from the vision fund to provide encouragement and hope to causes at the discretion of the charity's leadership team.

The fixed asset funds represent assets funded from special offerings, the net book value of the property and those other assets not funded from restricted income, less the associated borrowings.

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 21 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 December 2020 are represented by:				
Tangible assets	-	5,831,645	12,533	5,844,178
Investments	100	-	-	100
Current assets/(liabilities)	452,574	(85,969)	92,820	459,425
Long term liabilities	-	(1,774,695)	-	(1,774,695)
	<u>452,674</u>	<u>3,970,981</u>	<u>105,353</u>	<u>4,529,008</u>

### 22 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	1,645	1,645
Between two and five years	411	2,056
	<u>2,056</u>	<u>3,701</u>

### 23 Related party transactions

Other than those transactions disclosed in note 10 of these financial statements, there were no disclosable related party transactions during the year (2019- none).

### 24 Cash generated from operations

	2020 £	2019 £
Surplus for the year	53,959	133,604
Adjustments for:		
Investment income recognised in statement of financial activities	(1,894)	(1,868)
Gain on disposal of intangible assets	-	(850)
Depreciation and impairment of tangible fixed assets	379,733	355,341
Movements in working capital:		
(Increase)/decrease in debtors	(1,423)	2,925
Increase in creditors	3,022	24,856
<b>Cash generated from operations</b>	<u>433,397</u>	<u>514,008</u>

# THE C3 CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 25 Analysis of changes in net (debt)/funds

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	495,702	123,978	619,680
Loans falling due within one year	(135,645)	27	(135,618)
Loans falling due after more than one year	(1,892,267)	117,572	(1,774,695)
	<u>(1,532,210)</u>	<u>241,577</u>	<u>(1,290,633)</u>