

Registered Charity no. 1133178
Registered Company no. 06972512

City Church Newcastle
Trustees Annual Report and Accounts
Year Ended 31 August 2021



WYATT & CO

Chartered Accountants
125 Main Street
Garforth
Leeds
LS25 1AF

City Church Newcastle

Year Ended 31 August 2021

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City Church Newcastle

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Legal and Administrative Information

Reference

The Charity is called 'City Church Newcastle' also known as City Church.

Registered Charity Number 1133178

Registered Company Number 06972512

Registered Office The CastleGate
Melbourne Street
Newcastle upon Tyne
NE1 2JQ

Website www.city-church.co.uk

Trustees and Directors	Bethan Elliott	<i>Appointed 11 March 2022</i>
	James Faraday	
	Philip Forthgill	
	Rebecca Mason	<i>Appointed 10 March 2021</i>
	James Shepherd	
	Janet Smith	<i>Chair of Trustees</i>
	Andrew Kahn	<i>Resigned 31 December 2021</i>
	Michelle Reed	<i>Appointed 10 March 2021</i>
	Simphiwe Swakamisa	<i>Resigned 10 March 2021</i>

Key Management Personnel The Board of Trustees and Eldership Team

Primary Bankers Barclays Bank PLC
49-51 Northumberland Street
Newcastle upon Tyne
NE1 7AF

Solicitors Hay & Kilner
Merchant House, 30 Cloth Market
Newcastle upon Tyne
NE1 1EE

Independent Examiner: Nigel Wyatt BSC FCA
Wyatt & Co Chartered Accountants
125 Main Street, Garforth
Leeds, LS25 1AF

City Church Newcastle

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Trustees Annual Report

Structure, governance and management

Governing document

City Church Newcastle is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 25 July 2009.

The charitable company was incorporated on 25 July 2009 (registration number 06972512) in order to provide a distinct legal entity to carry out the activities of City Church Newcastle which since 1989 had been undertaken through a charitable trust. The company was registered with the Charity Commission on 8 December 2009.

On 1 January 2010, the entire assets, liabilities and undertakings of City Church Newcastle charitable trust (charity number 702322) were transferred to the charitable company.

There are currently three subscribers, each of whom agree to contribute £1 in the event of the charitable company winding up.

Appointment and retirement of directors

The leadership team are authorised to appoint new directors to fill vacancies arising through resignation or death of an existing director.

Directors' induction and training

The Charity Commission website is used to keep directors up to date with developments in the charitable sector. We also maintain links with Stewardship Services and the Evangelical Alliance who arrange training and circulate advice to directors.

Organisation

The direction of the Church and the priorities of the year are set by the Leadership team of the Church (also known as the Elders' team). The main instrument that governs expenditure through the year is the annual budget, which is drawn up by the finance team in consultation with those leading areas of ministry in the Church and is aimed at fulfilling the priorities set by the Leadership team. The budget is then agreed by the Leadership team and by the directors. Progress through the year is monitored by the Finance team. The directors meet six times each year. Budgets are monitored, policy is set and new initiatives agreed.

Day to day management of the Church finances is delegated to the Finance team. A computerised accounting system is used and bi-monthly reports from this are sent to all directors and those on the Leadership team. A member of staff keeps the books and all associated paperwork; all giving is recorded using the ChurchSuite system. Online payments are under the control of the finance officer.

In setting our objectives and planning our activities, the board of directors have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

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Risk management

The directors have identified risks and taken steps to mitigate them:

- Risks to buildings and contents are insured.
- Public liability risks are insured.
- A safeguarding policy is in place including vetting procedures. The Safeguarding co-ordinator has the full backing of the leadership team and directors to implement the policy across all areas of Church life. The Church is a member of thirty-one:eight, formerly known as CCPAS; we are advised by them and run training provided by them.
- The fire safety risk has been assessed. Detection and fire fighting equipment is maintained to current standards. An evacuation policy is in place with designated responsibilities. All those involved were offered training during the year.
- Our financial risk was assessed and our reserves policy reviewed. In the event of the Church being unable to repay the bank loan, the buildings have more than sufficient equity.

A member of staff is charged with health and safety and risk assessing.

Objectives and activities

The **objectives** of the Church community are:-

- The advancement of the Christian Faith.
- The relief of persons who are in conditions of need, hardship or distress or who are aged or sick.
- The provision of instruction in the Christian Faith at any educational establishment.

Purpose

City Church has the following vision and strategy:

Identity – who are we?

Enjoying God, Making Friends, Changing Lives

Vision – where are we going?

Gathering Thousands to Jesus

Strategy – how are we going to get there?

- Making Room
- Drinking Deeply
- Living Generously
- Stewarding Faithfully

Our values – what really matters to us?

- Grace: life-changing unconditional love
- Authenticity: discovering the truth of who we are
- Leadership: equipping everyone to flourish and thrive
- Courage: passionate enough to take bold steps

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Trustees Annual Report

Achievements

September 2020 to August 2021 has been a time of rapid change and uncertainty for people across the globe. We are profoundly thankful to God for the way he has led us through this season, and the patience, generosity and faith with which the City Church family has adapted along the “covid journey”. So much love, kindness, care and understanding has been expressed within the community and also given and received with friends and neighbours across the city and beyond. And the power of technology has enabled us to connect to many new people locally and across the world as never before.

Some of our highlights are shown below:

Making Room for new people to come in

Having been required to move church life almost entirely online in March 2020 this year has seen us slowly but surely re-gathering in person, as rules have permitted. In November 2020 we regathered people in a safe and socially distanced way for the first time. There have been further spells of lockdowns and restrictions but since July 2021 we have been able to gather largely without restrictions whilst still streaming a high quality experience online.

It has been wonderful to see the church family growing and becoming more diverse as we have emerged from Covid.

Our City Kids groups have also been able to regather in person again. We have seen lots of new families join the church and have safely recruited many new volunteers to serve in our City Kids teams.

Similarly our student, youth groups and around 20 City Groups have been able to begin meeting together in person again creating contexts for people to build community and grow in their faith.

We invest in training and supporting our group leaders who play such a vital role in church life, and have provided them support and advice, as well as a range of excellent online courses to help in discipling and building their group life and outreach.

Behind the scenes, we have continued to improve our systems to help new people connect into church life, and have received excellent feedback from new folk about the proactive and constructive way we have helped them to connect into community life as well as Sunday attendance.

Drinking deeply of God's love

We have continued to prioritise being a praying church in 2020-21. People gather every week day morning to pray on zoom and we have led many other prayer and worship initiatives which have engaged 100s of people. We also continue to share pastoral and prayer needs via our “Donkey Prayer” prayer chain emails.

Our prophetic team serve the church through helping members to connect to God and to learn to discern his voice, they also gather to pray for the church, and provide input to our leadership team. They have been very active in seeking God with individuals and groups across the church.

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Trustees Annual Report

Living generously

In 2020-21 we decided to use at least 10% of our budget to invest in mission, social justice and partnerships as well as regularly inviting people to give to one off local and global funds. This has represented a significant increase in our giving “beyond ourselves”.

We continue to partner with our Catalyst Church family, particularly some churches in the North East of England, in supporting church planting locally and globally.

We continued to support and partner with Foundations Zambia, a farming and discipleship programme run by our friends and former members, Ben and Cat Frampton, and were able to assist them financially and practically in enjoying a well-earned sabbatical in the UK in summer 2021.

We plan to continue and expand our investment in serving the poor, preaching the gospel and working with others to transform the world.

Stewarding faithfully the resources God gives us

The CastleGate

Much of the Church’s activities usually take place at our Grade 2 listed building called The CastleGate in the centre of Newcastle upon Tyne. Throughout the year the building also provides a community space for local charities to meet, as well as office and classroom space for other local charities.

We have worked hard over the course of the year to create a Covid safe environment and implement government guidelines, to ensure that staff and visitors can return to the building safely.

This we have also refurbished and redecorated our 3rd floor meeting space creating a welcoming environment enjoyed by various church groups including our Student and City Kids ministries.

Financial review

The statement of financial activities shows net unrestricted income of £151,071 for the period ending 31st of August 21, with higher income, and lower than anticipated expenditure due to Covid-19 restrictions.

Our regular giving this year increased to £376,112, compared with £240,280 in the prior financial year (which was only 8 months rather than 12).

We continue to be very thankful for the financial commitment of Church members, particularly in these difficult times.

Our cash balances increased by the end of the financial period to £224,784 (up from the prior year end which was £124,867

Investment policy

Surplus funds are held in interest bearing accounts which allow easy access to the funds should the need arise. A review of returns is periodically undertaken to ensure a competitive return and the maximum security of our funds.

Reserves policy

The Church aims to hold a minimum of two months of expenditure as free reserves (£78,000). At 31 August 2021, we held free reserves of £218,576, with some of this set aside for building improvement works.

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Trustees Annual Report

Public Benefit

In considering the activities, the Trustees have had regard to the guidance issued by the Charity Commission on public benefit.

Statement of the directors' responsibilities in relation to the financial statements

The directors are responsible for preparing the Directors' 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the directors 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the directors and signed on their behalf by:



Director

James Paul Shepherd

Date:

23/06/2022

City Church Newcastle

Year Ended 31 August 2021

Independent Examiners Report

I report to the Trustees on my examination of the financial statements of City Church Newcastle ('the charity') for the year ended 31st August 2021.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

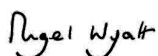
Independent examiner's statement

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Nigel Wyatt BSC FCA
Independent Examiner
125 Main Street
Garforth
Leeds
LS25 1AF

Date: 23/06/2022

City Church Newcastle

Year Ended 31 August 2021

Statement of Financial Activities

					8 Months 2020
		Unrestricted Funds	2021 Restricted Funds	Total Funds	Total Funds
	Note	£	£	£	£
Income					
Donations and legacies		460,124	25,017	485,141	333,800
Charitable activities		1,522	-	1,522	7,649
Other trading activities		79,538	-	79,538	40,734
Investment income		31	-	31	64
Total Income	2	<u>541,215</u>	<u>25,017</u>	<u>566,232</u>	<u>382,247</u>
Expenditure					
Expenditure on charitable activities	3	<u>390,144</u>	<u>25,194</u>	<u>415,338</u>	<u>343,116</u>
Total Expenditure		<u>390,144</u>	<u>25,194</u>	<u>415,338</u>	<u>343,116</u>
Net income / (expenditure)		<u>151,071</u>	<u>(177)</u>	<u>150,894</u>	<u>39,131</u>
Net income and net movement in funds					
Total funds brought forward	13	1,233,339	3,167	1,236,506	1,197,375
Transfers		<u>(127)</u>	<u>127</u>	<u>-</u>	<u>-</u>
Total funds carried forward		<u>1,384,283</u>	<u>3,117</u>	<u>1,387,400</u>	<u>1,236,506</u>

All income and expenditure derive from continuing activities.

The statement is a combined Statement of Financial Activities and Income and Expenditure Account for the purposes of meeting both Companies Act and charity SORP reporting requirements.

City Church Newcastle

Year Ended 31 August 2021

Statement of Financial Position

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	8	1,665,915	1,645,704
Long term loan debtor	9	120,000	135,000
Current assets			
Debtors	10	23,466	21,554
Cash at bank and in hand		224,784	124,867
		<u>248,250</u>	<u>146,421</u>
Creditors: amounts falling due within one year	11	<u>54,557</u>	<u>54,717</u>
Net current assets		193,693	91,704
Creditors: amounts falling due after one year	12	<u>592,208</u>	<u>635,902</u>
Net assets	14	<u>1,387,400</u>	<u>1,236,506</u>
Funds of the charity			
Restricted funds	13	3,117	3,167
Unrestricted funds	13		
Unrestricted general		39,392	121,614
Designated funds		<u>1,344,891</u>	<u>1,111,725</u>
		<u>1,384,283</u>	<u>1,233,339</u>
Total charity funds		<u>1,387,400</u>	<u>1,236,506</u>

Directors Responsibilities

The Directors are satisfied that for the year ended on 31st August 2021 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner.

The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts. These Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with FRS 102 (effective January 2019).

Name of Trustee:

James Shepherd

Signed on behalf of the Trustees:



Date of approval:

23/06/2022

City Church Newcastle

Year Ended 31 August 2021

Statement of Cash Flows

	2021 £	2020 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	173,331	41,805
	<u>173,331</u>	<u>41,805</u>
Cash flows from investing activities:		
Interest	31	64
Purchase of tangible fixed assets	(29,751)	(2,992)
Net cash provided by (used in) investing activities	<u>(29,720)</u>	<u>(2,928)</u>
Cash flows from financing activities:		
Repayments on borrowing	(43,694)	(18,452)
Net cash provided by (used in) financing activities	<u>(43,694)</u>	<u>(18,452)</u>
Change in cash and cash equivalents in the reporting period	99,917	20,425
Cash and cash equivalents at the beginning of the reporting period	124,867	104,442
Cash and cash equivalents at the end of the reporting period	<u>224,784</u>	<u>124,867</u>

Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds for the reporting period (as per the statement of financial activities)	150,894	39,131
Adjustments for:		
Interest received	(31)	(64)
Depreciation of tangible fixed assets	9,540	5,242
(Increase)/Decrease in debtors	13,088	4,449
Increase/(Decrease) in creditors	(160)	(6,953)
Net cash provided by (used in) operating activities	<u>173,331</u>	<u>41,805</u>

Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	224,784	124,867
Total cash and cash equivalents	<u>224,784</u>	<u>124,867</u>

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

Basis of Preparation

City Church Newcastle is a registered charity with the Charity Commission for England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The principal activity is to advance the Christian faith in accordance with the statement of beliefs.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 (FRS 102) issued on 16 July 2014 as amended by Bulletin 1, the Financial Reporting Standard applicable in the United Kingdom (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Assessment of Going Concern

Preparation of the accounts is on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Fund Accounting

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have set aside resources for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the term of specific appeal, often known as a 'special offering' in the church.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Accounting Period

For the financial year ending 31st of August 2020 the charity had a short 8 month period of account from the 31st December 2020 to the 31st of August 2020.

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

Incoming Resources

All incoming resources are recognised once the charity has entitlement to the resources, it is probable that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability.

- All voluntary income from members of the church are recognised as donations and are included in full, with associated Gift Aid receivable in the Statement of Financial Activities.
- Grants where entitlement is not conditional on the delivery of specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.
- Income resources from charitable trading activities such as the letting of the building are accounted for when invoices are drawn up (as the point of entitlement).
- Donated services and facilities are included at the value to the charity where this can be quantified.
- Gifts in Kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.
- Volunteer time, the value of voluntary support for the work of the church is not included in the accounts but is described in the Trustees Annual Report.
- Investment Income is included in the accounts when receivable.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of the trustees' meetings and cost of any legal advice to trustees on governance or constitutional matters.

Liability Recognition

Abilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

Tangible fixed assets

Assets over the value of £500 are capitalized. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost of an asset, less its estimated residual value, over the expected useful economic life of that asset, as follows:

Freehold property	Not depreciated
Musical and Technical Equipment	5 years on straight line basis
Office and computer equipment	3 years on straight line basis
Furniture, fixtures and fittings	15% on a straight line basis

In view of the maintenance programme in place which aims to keep the building in good condition, the directors consider that any depreciation of freehold property would be immaterial and accordingly no provision has been made. The carrying amount of the freehold property is reviewed annually for impairment by the directors.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Operating Leases

Rental charges payable under operating leases are charged on a straight line basis over the terms of the lease.

Taxation

The charity is exempt from tax on its charitable activities.

Judgements and key sources of estimation

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 5 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

Concessionary loans

The charity initially recognises and measures concessionary loans at the amount received or receivable. The carrying amount is adjusted in subsequent years to reflect repayments and any accrued interest.

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

2 Analysis of Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations and legacies			
Donations	372,690	21,987	394,677
Gift Aid	72,942	3,030	75,972
Grants	14,492	-	14,492
	<u>460,124</u>	<u>25,017</u>	<u>485,141</u>
Charitable activities			
Church activities	742	-	742
Serving others	-	-	-
Reimbursements	780	-	780
	<u>1,522</u>	<u>-</u>	<u>1,522</u>
Other trading activities			
Rental income	79,538	-	79,538
	<u>79,538</u>	<u>-</u>	<u>79,538</u>
Investment Income			
Bank interest	31	-	31
	<u>31</u>	<u>-</u>	<u>31</u>
Other			
Other Income	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Income	<u>541,215</u>	<u>25,017</u>	<u>566,232</u>

During the year, the church received £14,492 (2020: £15,441) from the Governments Covid-19 Job Retention Scheme. There were no unfulfilled conditions of the funds received from the Government during the year.

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

2 Analysis of Income (*Continued*)

	Unrestricted Funds £	Restricted Funds £	8 Months Total Funds 2020 £
Donations and legacies			
Donations	240,084	25,030	265,114
Gift Aid	48,491	4,754	53,245
Grants	15,441	-	15,441
	<u>304,016</u>	<u>29,784</u>	<u>333,800</u>
Charitable activities			
Church activities	4,885	-	4,885
Serving others	300	-	300
Reimbursements	2,464	-	2,464
	<u>7,649</u>	<u>-</u>	<u>7,649</u>
Other trading activities			
Rental income	40,734	-	40,734
	<u>40,734</u>	<u>-</u>	<u>40,734</u>
Investment Income			
Bank interest	64	-	64
	<u>64</u>	<u>-</u>	<u>64</u>
Total Income	<u>352,463</u>	<u>29,784</u>	<u>382,247</u>

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

3 Expenditure on Charitable Activities By Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Activity and Event Costs	6,291	-	6,291
Administration Costs	5,502	-	5,502
Bank Charges	1,482	127	1,609
Depreciation	8,990	-	8,990
External Giving	27,445	25,067	52,512
Governance	2,275	-	2,275
Interest	9,870	-	9,870
IT, Equipment and Technology Costs	11,352	-	11,352
Ministry Costs	2,512	-	2,512
Premises Costs	65,384	-	65,384
Staff Expenses	3,657	-	3,657
Staff Salaries	242,305	-	242,305
Volunteer Expenses	3,079	-	3,079
	<u>390,144</u>	<u>25,194</u>	<u>415,338</u>

	Unrestricted Funds £	Restricted Funds £	8 Months Total Funds 2020 £
Activity and Event Costs	9,563	-	9,563
Administration Costs	1,093	-	1,093
Bank Charges	1,141	-	1,141
Depreciation	5,242	-	5,242
External Giving	11,827	30,250	42,077
Governance	1,567	-	1,567
Interest	7,882	-	7,882
IT, Equipment and Technology Costs	8,807	-	8,807
Ministry Costs	1,467	-	1,467
Premises Costs	60,715	-	60,715
Staff Expenses	5,443	-	5,443
Staff Salaries	194,922	-	194,922
Volunteer Expenses	3,195	-	3,195
	<u>312,866</u>	<u>30,250</u>	<u>343,116</u>

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

4 Volunteers

The church benefits greatly from the voluntary contributions of time and money by its formal members and regular attendees. Please refer to the trustees' report for further detail about volunteer contributions in the organisation.

5 Independent examination fees

Fees payable to the independent examiner for:

	2021	2020
	£	£
Independent examination and preparation of the financial statements	2,040	1,281

6 Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	8 Months 2020
	£	£
Wages and salaries	216,142	179,149
Social security costs	8,593	7,728
Employer contributions to pension plans	17,570	8,045
	<u>242,305</u>	<u>194,922</u>

The average head count of employees during the year was as follows:

	2021	2020
Average Head Count	14	13

No employees received employee benefits of more than £60,000 during the year or the prior year.

Key Management Personnel

The charity considers its key management personnel to be The Board of Trustees together with the Eldership Team. The total employee benefits received by the key management personnel (including employer national insurance and pension contributions) was £89,589.

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

7 Trustee Remuneration, Expenses and Donations

During the year one trustee (who is also a member of the Eldership Team) received remuneration. The remuneration paid during the year is for the employee's role within the church and not for their role as a trustee. The charity's memorandum of articles gives authority for such remuneration to be paid. The total remuneration paid during the year is as follows:

	2021	8 Months 2020
	£	£
James Shepherd	40,710	27,140

During the year two trustees incurred out of pocket expenses totalling £45.39 which were all incurred for the day to day running of the charity's activities.

During the year the total aggregated donations made to the charity by the trustees during the year was £21,750. There were no conditions attached to the donations.

8 Tangible Fixed Assets

	Freehold Property	Musical and Technical Equipment	Office and Computer Equipment	Furniture Fixtures and Fittings £	Total £
Costs:					
At 1st September 2020	1,627,252	67,605	14,660	185,522	1,895,039
Additions	-	885	550	28,316	29,751
At 31st August 2021	1,627,252	68,490	15,210	213,838	1,924,790
Depreciation:					
At 1st September 2020	-	60,853	10,541	177,941	249,335
Depreciation Charge	-	1,840	2,413	5,287	9,540
At 31st August 2021	-	62,693	12,954	183,228	258,875
Net Book Value:					
At 31st August 2021	1,627,252	5,797	2,256	30,610	1,665,915
At 31st September 2020	1,627,252	6,752	4,119	7,581	1,645,704

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

9 Long Term Loan Debtor

The loan represents deferred consideration arising from the sale in August 2019 of the charity's Rickleton property to House of Destiny Ministries. The loan is interest free and is secured by a legal charge over the Rickleton property. The loan is repayable in annual instalments of £15,000 expiring in December 2029.

	2021	2020
	£	£
Between one and two years	30,000	30,000
Between three and five years	45,000	45,000
After more than five years	45,000	60,000
	<u>120,000</u>	<u>135,000</u>

10 Debtors

	2021	2020
	£	£
Accounts receivable	1,579	315
Gift Aid recoverable	6,045	5,739
Prepayments	500	500
Other debtors	342	-
Loan	15,000	15,000
	<u>23,466</u>	<u>21,554</u>

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Members loans	15,000	15,000
Bank loan (secured)	28,000	28,000
Trade creditors	7,881	2,965
Accruals	2,040	5,603
Other taxes and social security	-	3,149
Credit card	1,636	-
	<u>54,557</u>	<u>54,717</u>

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

12 Creditors: amounts falling due after one year

	2021	2020
	£	£
Members loans	120,000	135,000
Bank loan (secured)	472,208	500,902
	<u>592,208</u>	<u>635,902</u>

The members loans are unsecured, interest free and repayable in a timescale that works for the charity.

The bank loan is fully secured on the CastleGate freehold property. It is repayable by instalments, maturing in 2036. The amount due at 31 August 2021 is analysed as follows:

	2021	2020
	£	£
Within one year	28,000	28,000
Between one and two years	56,000	56,000
Between three and five years	84,000	84,000
After more than five years	332,208	360,902
	<u>500,208</u>	<u>528,902</u>

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

13 Analysis of Charitable Funds

Unrestricted Funds

	1 Sept 20 £	Income £	Expenditure £	Transfers £	31 Aug 2021 £
Unrestricted					
General	121,614	541,215	(369,854)	(253,583)	39,392
	121,614	541,215	(369,854)	(253,583)	39,392
Designated					
Buildng, Assets & Mortgage	1,086,877	-	(18,859)	97,689	1,165,707
Working Capital	-	-	-	78,000	78,000
Big Ticket Building	24,848	-	-	51,152	76,000
Building Development Fund	-	-	(1,431)	26,615	25,184
	1,111,725	-	(20,290)	253,456	1,344,891
Total Unrestricted	1,233,339	541,215	(390,144)	(127)	1,384,283
Restricted Funds					
Gifts	-	25,017	(25,144)	127	-
Alpha Food Gift	832	-	-	-	832
Welcome Boxes	2,335	-	(50)	-	2,285
Total Restricted	3,167	25,017	(25,194)	127	3,117
Total Funds	1,236,506	566,232	(415,338)	-	1,387,400

Fund Transfer

Building, Assets & Mortgage	Transfer for the fund balance to match the closing fixed asset balance less secured mortgage.
Working Capital	Transfer to establish the designated fund
Big Ticket Building	Transfer to establish the designated fund
Building Development Fund	Transfer to establish the designated fund

City Church Newcastle

Year Ended 31 August 2021

Notes to the Financial Statements

Fund Descriptions

Designated Funds

Building, Assets & Mortgage	Fund balance to match the closing fixed asset balance less secured mortgage.
Working Capital	Fund established to ringfence the organisations essential reserves balance in line with the updated reserves policy.
Big Ticket Building	Fund set aside for replacing and renewing significant and large building items.
Building Development Fund	Fund set aside for overall building development work.

Restricted Funds

Gifts	Restricted one-off offerings where money is passed on
Alpha Food Gift	A restricted gift for Alpha Course Food
Welcome Boxes	Grant for provision welcoming refugees to the church

14 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Fixed Assets	1,665,915	-	1,665,915
Current Assets	245,133	3,117	248,250
Creditors less than 1 year	(54,557)	-	(54,557)
Creditors after one 1 year	(592,208)	-	(592,208)
	<u>1,264,283</u>	<u>3,117</u>	<u>1,267,400</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Fixed Assets	1,645,704	-	1,645,704
Current Assets	143,254	3,167	146,421
Creditors less than 1 year	(54,717)	-	(54,717)
Creditors after one 1 year	(635,902)	-	(635,902)
	<u>1,098,339</u>	<u>3,167</u>	<u>1,101,506</u>

15 Company Status

The company is a company limited by guarantee and not having a share capital. Every member of the company undertakes to contribute in a winding up sum not exceeding £1 whilst they are a member, or within one year after ceasing to be a member, towards debts and liabilities contracted before ceasing to be a member.

16 Related party transactions

There were no related party transactions which took place during the year (2020: £0).