

Registered Charity no. 1133178  
Registered Company no. 06972512

**City Church Newcastle**  
**Trustees Annual Report and Accounts**  
**Year Ended 31 August 2023**



**WYATT & CO**

Chartered Accountants  
125 Main Street  
Garforth  
Leeds  
LS25 1AF

# **City Church Newcastle**

**Year Ended 31 August 2023**

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# City Church Newcastle

**Year Ended 31 August 2023**

## **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](http://www.city-church.co.uk)

|                               |                    |                                   |
|-------------------------------|--------------------|-----------------------------------|
| <b>Trustees and Directors</b> | Janet Mary Smith   | <i>Chair of trustees</i>          |
|                               | James Keith Senior |                                   |
|                               | Bethan Elliot      |                                   |
|                               | Michelle Reed      |                                   |
|                               | Rebecca Mason      |                                   |
|                               | James Shepherd     |                                   |
|                               | Philip Fothergill  | <i>Resigned January 2024</i>      |
|                               | Joseph Williams    | <i>Appointed 15 November 2023</i> |
|                               | Andrew Bramhall    | <i>Appointed 15 November 2023</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**

**Year Ended 31 August 2023**

## **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 Senior Leadership Team). The main instrument that governs expenditure throughout the year is the annual budget, which is drawn up by the finance team (Lead Pastor, Finance Administrator, ExpensePlus) 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 upon 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 are 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 the directors. 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.

#### ***Risk management***

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

# City Church Newcastle

Year Ended 31 August 2023

## Trustees Annual Report

- 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 values:

### Vision – where are we going?

Gathering Thousands to Jesus

### 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

# City Church Newcastle

**Year Ended 31 August 2023**

## **Trustees Annual Report**

### **Achievements**

It is impossible to capture the vast array of things which have happened across the life of City Church between September 2022 and August 2023. But it was a year in which we focussed, and saw significant changes, across the following 4 categories:

- Growth
- Depth
- Serving the City and Beyond
- Wise Stewardship

We are profoundly thankful to God for the way he has led us through this season, and the patience, generosity and faith with of the City Church family. So much love, kindness, care and understanding has been expressed within the community and also given and received by friends and neighbours across the city and beyond.

Some of our highlights are shown below:

### **Growth**

Our Sunday gatherings continued to grow – both in number and in the diversity of our church family. Across the course of the year it was our absolute joy to baptise 33 people.

Ministries like City Kids, youth and students and City Groups have also continued to grow – creating contexts for people of all ages and stages to build community and grow in faith. Much work has gone into raising up and supporting leaders to serve across all these contexts.

Some particular highlights across these ministries would be:

- our Easter Kids Holiday Club
- taking nearly 50 young people away to Newday in the summer
- our students and young adults “Spring Weekend” of training and mission

### **Depth**

We have continued to prioritize prayer – particularly through our 24-7 week of prayer, our morning Zoom prayer, our “donkey prayer” prayer chain and our new encounter nights.

We also placed a fresh emphasis on discipleship – drawing over 150 people into “discipleship triplets”, groups designed to help them grow in their faith.

We launched a new internship programme – which gathered a dozen or so people who committed to a year of more intentional discipleship and serving the church. This internship programme is designed to work alongside people's regular jobs and lives. The highlight of the year was probably their mission trip to Albania.

We also saw a number of people engage with theological training through our connection with groups such as the Leeds School of Theology.

Our sense of connection with our wider Catalyst family of churches has grown through leaders' events and many from our church family at the Love: Nations conference.

# City Church Newcastle

**Year Ended 31 August 2023**

## **Trustees Annual Report**

### **Serving the City and Beyond**

Our City Refugee Welcome project, serving asylum seekers and refugees in Gateshead and beyond, has gone from strength to strength with regular drop-ins, sports clubs, activities for kids and advocacy work. Similarly, our Food Pantry in Shieldfield continues to play a vital role in that community.

Further afield we have continued to give generously to a range of mission partners and are exploring deeper connections with some wonderful churches and projects in India and beyond.

### **Wise Stewardship**

After a year of gathering on a trial basis, our new Senior Leadership Team is now firmly established bringing oversight to the whole life of the church.

We have invested significantly in our building undertaking a substantial high-level works project on our windows and building structure. We have also been responding to the growing complexity of the church by improving our systems for line management (staff and volunteer), HR policies and more.

### **Other Significant Info**

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.

### **Financial Review**

The church is currently in a good financial position.

Our regular giving this year increased to £446,300 compared with £443,167 in 2021-22, and we continue to be very thankful for the financial commitment of Church members, particularly in these difficult times.

The statement of financial position shows cash balance increased from £327,790 to £384,517 during the 2022-23 financial year.

Significant building works took place in the 2022-23 financial year. We also had a Gift Day which raised £133,094, which is held in a restricted fund for future charitable spending.

### ***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 £78,000 (approx. 2 months of expenditure) as free reserves. At 31 August 2023 – including effective “reserves” in our general fund - we held free reserves of £112,437, providing some extra reserves (in addition to money held in funds such as our “Big Ticket Building Fund”).

# City Church Newcastle

Year Ended 31 August 2023

## Trustees Annual Report

### 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.

James Shepherd

**Name of Trustee:**

**Signed on Behalf of the Trustees:**



**Date of Approval:**

20/05/2024



# City Church Newcastle

**Year Ended 31 August 2023**

## **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 2023.

### **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: 20/05/2024

# City Church Newcastle

Year Ended 31 August 2023

## Statement of Financial Activities

|   |             |                  | <b>2023</b>    |                         | 2022             |
|---|-------------|------------------|----------------|-------------------------|------------------|
|   |             | Unrestricted     | Restricted     | <b>Total</b>            | Total            |
|   |             | Funds            | Funds          | <b>Funds</b>            | Funds            |
|   | <b>Note</b> | £                | £              | £                       | £                |
| <b>Income</b>                               |             |                  |                |                         |                  |
| Donations and legacies                      |             | 565,167          | 201,429        | <b>766,596</b>          | 555,420          |
| Charitable activities                       |             | 24,126           | -              | <b>24,126</b>           | 13,427           |
| Other trading activities                    |             | 70,406           | -              | <b>70,406</b>           | 65,322           |
| Investment income                           |             | 1,008            | -              | <b>1,008</b>            | 80               |
| Other income                                |             | 30               | -              | <b>30</b>               | 458              |
| <b>Total Income</b>                         | <b>2</b>    | <u>660,737</u>   | <u>201,429</u> | <u><b>862,166</b></u>   | <u>634,707</u>   |
| <b>Expenditure</b>                          |             |                  |                |                         |                  |
| Expenditure on charitable activities        | <b>3</b>    | <u>677,586</u>   | <u>72,247</u>  | <u><b>749,833</b></u>   | <u>490,614</u>   |
| <b>Total Expenditure</b>                    |             | <u>677,586</u>   | <u>72,247</u>  | <u><b>749,833</b></u>   | <u>490,614</u>   |
| <b>Net Income / (Expenditure)</b>           |             | <u>(16,849)</u>  | <u>129,182</u> | <u><b>112,333</b></u>   | <u>144,093</u>   |
| <b>Net Income and Net Movement in Funds</b> |             |                  |                |                         |                  |
| Total funds brought forward                 | <b>13</b>   | 1,530,229        | 1,264          | <b>1,531,493</b>        | 1,387,400        |
| Transfers                                   |             | <u>(20,040)</u>  | <u>20,040</u>  | <u>-</u>                | <u>-</u>         |
| <b>Total Funds Carried Forward</b>          |             | <u>1,493,340</u> | <u>150,486</u> | <u><b>1,643,826</b></u> | <u>1,531,493</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 2023

## Statement of Financial Position

|   | Note | 2023<br>£        | 2022<br>£        |
|---|------|------------------|------------------|
| <b>Fixed Assets</b>                                   |      |                  |                  |
| Tangible fixed assets                                 | 8    | 1,682,448        | 1,677,913        |
| Long term loan debtor                                 | 9    | 90,000           | 105,000          |
| <b>Current Assets</b>                                 |      |                  |                  |
| Debtors   | 10   | 64,684           | 25,379           |
| Cash at bank and in hand                              |      | 384,517          | 327,790          |
|   |      | <u>449,201</u>   | <u>353,169</u>   |
| <b>Creditors: amounts falling due within one year</b> | 11   | <u>67,129</u>    | <u>55,587</u>    |
| <b>Net Current Assets</b>                             |      | 382,072          | 297,582          |
| <b>Creditors: amounts falling due after one year</b>  | 12   | <u>510,695</u>   | <u>549,002</u>   |
| <b>Net Assets</b>                                     | 14   | <u>1,643,826</u> | <u>1,531,493</u> |
| <b>Funds of the Charity</b>                           |      |                  |                  |
| Restricted funds                                      | 13   | 150,486          | 1,264            |
| Unrestricted funds                                    | 13   |                  |                  |
| Unrestricted general                                  |      | 21,331           | 19,076           |
| Designated funds                                      |      | <u>1,472,009</u> | <u>1,511,153</u> |
|   |      | <u>1,493,340</u> | <u>1,530,229</u> |
| <b>Total Charity Funds</b>                            |      | <u>1,643,826</u> | <u>1,531,493</u> |

### Directors Responsibilities

The Directors are satisfied that for the year ended on 31st August 2023 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).

James Shepherd

Name of Trustee:

Signed on Behalf of the Trustees:



Date of Approval:

20/05/2024

# City Church Newcastle

Year Ended 31 August 2023

## Statement of Cash Flows

|   | 2023<br>£             | 2022<br>£             |
|---|-----------------------|-----------------------|
| <b>Cash Flows From Operating Activities</b>                         |                       |                       |
| Net cash provided by (used in) operating activities                 | 99,203                | 173,245               |
|   | <u>99,203</u>         | <u>173,245</u>        |
| <b>Cash Flows From Investing Activities</b>                         |                       |                       |
| Interest  | 1,008                 | 80                    |
| Purchase of tangible fixed assets                                   | (20,176)              | (37,832)              |
| Net cash provided by (used in) investing activities                 | <u>(19,168)</u>       | <u>(37,752)</u>       |
| <b>Cash Flows From Financing Activities</b>                         |                       |                       |
| Repayments on borrowing   | (23,308)              | (43,206)              |
| Net cash provided by (used in) financing activities                 | <u>(23,308)</u>       | <u>(43,206)</u>       |
| Change in cash and cash equivalents in the reporting period         | 56,727                | 103,006               |
| Cash and cash equivalents at the beginning of the reporting period  | <u>327,790</u>        | <u>224,784</u>        |
| <b>Cash and Cash Equivalents at the End of the Reporting Period</b> | <b><u>384,517</u></b> | <b><u>327,790</u></b> |

## Reconciliation of Net Movement in Funds to Net Cash Flow From Operating Activities

|   | 2023<br>£     | 2022<br>£      |
|---|---------------|----------------|
| Net movement in funds for the reporting period (as per the statement of financial activities) | 112,333       | 144,093        |
| Adjustments for:  |               |                |
| Interest received   | (1,008)       | (80)           |
| Depreciation of tangible fixed assets   | 15,641        | 15,115         |
| (Increase)/Decrease in debtors  | (24,305)      | 13,087         |
| Increase/(Decrease) in creditors  | (3,458)       | 1,030          |
| Net cash provided by (used in) operating activities   | <u>99,203</u> | <u>173,245</u> |

## Analysis of Cash and Cash Equivalents

|                                 | 2023<br>£             | 2022<br>£             |
|---------------------------------|-----------------------|-----------------------|
| Cash at bank                    | 384,517               | 327,790               |
| Total cash and cash equivalents | <b><u>384,517</u></b> | <b><u>327,790</u></b> |

# City Church Newcastle

**Year Ended 31 August 2023**

## **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.

# City Church Newcastle

Year Ended 31 August 2023

## 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 at 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

Liabilities 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 2023

## 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 2023

## Notes to the Financial Statements

### 2 Analysis of Income

|                                 | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|---------------------------------|----------------------------|--------------------------|--------------------------|
| <b>Donations and Legacies</b>   |                            |                          |                          |
| Donations                       | 446,300                    | 124,327                  | <b>570,627</b>           |
| Gift aid                        | 84,646                     | 20,236                   | <b>104,882</b>           |
| Grants                          | 34,221                     | 56,866                   | <b>91,087</b>            |
|                                 | <u>565,167</u>             | <u>201,429</u>           | <u><b>766,596</b></u>    |
| <b>Charitable Activities</b>    |                            |                          |                          |
| Church activities               | 21,176                     | -                        | <b>21,176</b>            |
| Serving others                  | -                          | -                        | -                        |
| Reimbursements                  | 2,950                      | -                        | <b>2,950</b>             |
|                                 | <u>24,126</u>              | <u>-</u>                 | <u><b>24,126</b></u>     |
| <b>Other Trading Activities</b> |                            |                          |                          |
| Rental income                   | 70,406                     | -                        | <b>70,406</b>            |
|                                 | <u>70,406</u>              | <u>-</u>                 | <u><b>70,406</b></u>     |
| <b>Investment Income</b>        |                            |                          |                          |
| Bank interest                   | 1,008                      | -                        | <b>1,008</b>             |
|                                 | <u>1,008</u>               | <u>-</u>                 | <u><b>1,008</b></u>      |
| <b>Other</b>                    |                            |                          |                          |
| Other income                    | 30                         | -                        | <b>30</b>                |
|                                 | <u>30</u>                  | <u>-</u>                 | <u><b>30</b></u>         |
| <b>Total Income</b>             | <u><b>660,737</b></u>      | <u><b>201,429</b></u>    | <u><b>862,166</b></u>    |

During the year, the church received £0 (2022: £342) from the Governments Covid-19 Job Retention Scheme.



# City Church Newcastle

Year Ended 31 August 2023

## Notes to the Financial Statements

### 2 Analysis of Income *(Continued)*

|                                 | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|---------------------------------|----------------------------|--------------------------|--------------------------|
| <b>Donations and Legacies</b>   |                            |                          |                          |
| Donations                       | 433,167                    | 14,759                   | <b>447,926</b>           |
| Gift aid                        | 84,653                     | 1,962                    | <b>86,615</b>            |
| Grants                          | 879                        | 20,000                   | <b>20,879</b>            |
|                                 | <u>518,699</u>             | <u>36,721</u>            | <u><b>555,420</b></u>    |
| <b>Charitable Activities</b>    |                            |                          |                          |
| Church activities               | 11,509                     | -                        | <b>11,509</b>            |
| Serving others                  | -                          | -                        | <b>-</b>                 |
| Reimbursements                  | 1,918                      | -                        | <b>1,918</b>             |
|                                 | <u>13,427</u>              | <u>-</u>                 | <u><b>13,427</b></u>     |
| <b>Other Trading Activities</b> |                            |                          |                          |
| Rental income                   | 65,322                     | -                        | <b>65,322</b>            |
|                                 | <u>65,322</u>              | <u>-</u>                 | <u><b>65,322</b></u>     |
| <b>Investment Income</b>        |                            |                          |                          |
| Bank interest                   | 80                         | -                        | <b>80</b>                |
|                                 | <u>80</u>                  | <u>-</u>                 | <u><b>80</b></u>         |
| <b>Other</b>                    |                            |                          |                          |
| Other income                    | 458                        | -                        | <b>458</b>               |
|                                 | <u>458</u>                 | <u>-</u>                 | <u><b>458</b></u>        |
| <b>Total Income</b>             | <u><b>597,986</b></u>      | <u><b>36,721</b></u>     | <u><b>634,707</b></u>    |

# City Church Newcastle

Year Ended 31 August 2023

## Notes to the Financial Statements

### 3 Expenditure on Charitable Activities By Fund Type

|                                    | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|------------------------------------|----------------------------|--------------------------|--------------------------|
| Activity and event costs           | 44,413                     | 11,528                   | <b>55,941</b>            |
| Administration costs               | 6,985                      | 1,214                    | <b>8,199</b>             |
| Bank charges                       | 2,633                      | -                        | <b>2,633</b>             |
| Depreciation                       | 14,577                     | -                        | <b>14,577</b>            |
| External giving                    | 25,744                     | 30,721                   | <b>56,465</b>            |
| Governance                         | 2,135                      | -                        | <b>2,135</b>             |
| Interest                           | 11,337                     | -                        | <b>11,337</b>            |
| IT, equipment and technology costs | 11,897                     | -                        | <b>11,897</b>            |
| Ministry costs                     | 15,951                     | -                        | <b>15,951</b>            |
| Premises costs                     | 271,822                    | -                        | <b>271,822</b>           |
| Staff expenses                     | 11,886                     | 637                      | <b>12,523</b>            |
| Staff salaries                     | 257,086                    | 28,147                   | <b>285,233</b>           |
| Volunteer expenses                 | 1,120                      | -                        | <b>1,120</b>             |
|                                    | <u>677,586</u>             | <u>72,247</u>            | <u><b>749,833</b></u>    |

  

|                                    | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|------------------------------------|----------------------------|--------------------------|--------------------------|
| Activity and event costs           | 23,252                     | 17,207                   | <b>40,459</b>            |
| Administration costs               | 7,033                      | -                        | <b>7,033</b>             |
| Bank charges                       | 1,679                      | -                        | <b>1,679</b>             |
| Depreciation                       | 6,231                      | -                        | <b>6,231</b>             |
| External giving                    | 30,638                     | 15,999                   | <b>46,637</b>            |
| Governance                         | 3,583                      | -                        | <b>3,583</b>             |
| Interest                           | 11,972                     | -                        | <b>11,972</b>            |
| IT, equipment and technology costs | 12,829                     | 611                      | <b>13,440</b>            |
| Ministry costs                     | 9,221                      | -                        | <b>9,221</b>             |
| Premises costs                     | 89,260                     | -                        | <b>89,260</b>            |
| Staff expenses                     | 8,846                      | -                        | <b>8,846</b>             |
| Staff salaries                     | 244,829                    | 5,102                    | <b>249,931</b>           |
| Volunteer expenses                 | 2,322                      | -                        | <b>2,322</b>             |
|                                    | <u>451,695</u>             | <u>38,919</u>            | <u><b>490,614</b></u>    |

# City Church Newcastle

Year Ended 31 August 2023

## 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:

|   | 2023  | 2022  |
|---|-------|-------|
|   | £     | £     |
| Independent examination and preparation of the financial statements | 2,109 | 1,981 |

### 6 Staff Costs

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

|   | 2023           | 2022           |
|---|----------------|----------------|
|   | £              | £              |
| Wages and salaries                      | 253,754        | 206,967        |
| Social security costs                   | 12,174         | 9,405          |
| Employer contributions to pension plans | 19,305         | 17,911         |
|   | <u>285,233</u> | <u>234,283</u> |

The average headcount of employees during the year was as follows:

|                   | 2023 | 2022 |
|-------------------|------|------|
| Average Headcount | 14   | 14   |

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 £96,365 (2022: £77,364).

# City Church Newcastle

Year Ended 31 August 2023

## Notes to the Financial Statements

### 7 Trustee Remuneration, Expenses and Donations

During the year two trustees (who were also a members of the Eldership Team) received remuneration. The remuneration paid during the year was for the employees 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:

|                 | 2023   | 2022   |
|-----------------|--------|--------|
|                 | £      | £      |
| James Shepherd  | 44,744 | 44,747 |
| Andrew Bramhall | 51,621 | -      |

During the year two trustees incurred out of pocket expenses totalling £3,796 which were all incurred for the day to day running of the charity's activities. (2022: £134)

During the year the total aggregated donations made to the charity by the trustees was £61,220. There were no conditions attached to the donations. (2022: £31,723)

### 8 Tangible Fixed Assets

|                        | Freehold<br>Property | Musical and<br>Technical<br>Equipment | Office and<br>Computer<br>Equipment | Furniture<br>Fixtures and<br>Fittings<br>£ | Total<br>£       |
|------------------------|----------------------|---------------------------------------|-------------------------------------|--|------------------|
| <b>Costs</b>           |                      |                                       |                                     |  |                  |
| At 1st September 2022  | 1,627,252            | 86,383                                | 15,210                              | 221,867                                    | 1,950,712        |
| Additions              | -                    | 10,073                                | 774                                 | 9,329                                      | 20,176           |
| Disposals              | -                    | -                                     | (1,889)                             | -  | -                |
| At 31st August 2023    | <b>1,627,252</b>     | <b>96,456</b>                         | <b>14,096</b>                       | <b>231,196</b>                             | <b>1,970,888</b> |
| <b>Depreciation</b>    |                      |                                       |                                     |  |                  |
| At 1st September 2022  | -                    | 68,111                                | 15,026                              | 189,662                                    | 272,799          |
| Depreciation Charge    | -                    | 7,433                                 | 441                                 | 7,767                                      | 15,641           |
| Disposals              | -                    | -                                     | (1,889)                             | -  | -                |
| At 31st August 2023    | -                    | <b>75,544</b>                         | <b>13,578</b>                       | <b>197,429</b>                             | <b>288,440</b>   |
| <b>Net Book Value</b>  |                      |                                       |                                     |  |                  |
| At 31st August 2023    | <b>1,627,252</b>     | <b>20,912</b>                         | <b>518</b>                          | <b>33,767</b>                              | <b>1,682,448</b> |
| At 31st September 2022 | 1,627,252            | 18,272                                | 184                                 | 32,205                                     | 1,677,913        |

# City Church Newcastle

Year Ended 31 August 2023

## 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.

|                              | <b>2023</b>   | 2022           |
|------------------------------|---------------|----------------|
|                              | <b>£</b>      | <b>£</b>       |
| Between one and two years    | 30,000        | 30,000         |
| Between three and five years | 45,000        | 45,000         |
| After more than five years   | 15,000        | 30,000         |
|                              | <u>90,000</u> | <u>105,000</u> |

### 10 Debtors

|                      | <b>2023</b>   | 2022          |
|----------------------|---------------|---------------|
|                      | <b>£</b>      | <b>£</b>      |
| Accounts receivable  | 41,949        | -             |
| Gift Aid recoverable | 7,726         | 6,089         |
| Prepayments          | 9             | 4,290         |
| Other debtors        | -             | -             |
| Loan                 | 15,000        | 15,000        |
|                      | <u>64,684</u> | <u>25,379</u> |

### 11 Creditors: amounts falling due within one year

|                     | <b>2023</b>   | 2022          |
|---------------------|---------------|---------------|
|                     | <b>£</b>      | <b>£</b>      |
| Members loans       | 30,000        | 15,000        |
| Bank loan (secured) | 28,000        | 28,000        |
| Trade creditors     | 5,898         | 4,896         |
| Accruals            | 852           | 5,376         |
| Deferred income     | 970           | -             |
| Credit card         | 1,409         | 2,315         |
|                     | <u>67,129</u> | <u>55,587</u> |

# City Church Newcastle

Year Ended 31 August 2023

## Notes to the Financial Statements

### 12 Creditors: amounts falling due after one year

|                     | 2023           | 2022           |
|---------------------|----------------|----------------|
|                     | £              | £              |
| Members loans       | 90,000         | 105,000        |
| Bank loan (secured) | 420,695        | 444,002        |
|                     | <u>510,695</u> | <u>549,002</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 2023 is analysed as follows:

|                              | 2023           | 2022           |
|------------------------------|----------------|----------------|
|                              | £              | £              |
| 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   | 280,695        | 304,002        |
|                              | <u>448,695</u> | <u>472,002</u> |

# City Church Newcastle

Year Ended 31 August 2023

## Notes to the Financial Statements

### 13 Analysis of Charitable Funds

#### Unrestricted Funds

|                      | 1 Sept 22<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>£   | 31 Aug 2023<br>£ |
|----------------------|----------------|----------------|------------------|------------------|------------------|
| <b>Unrestricted</b>  |                |                |                  |                  |                  |
| General              | 19,076         | 602,390        | (419,734)        | (181,732)        | <b>20,000</b>    |
| Events & chargeables | -              | 26,672         | (24,356)         | (985)            | <b>1,331</b>     |
|                      | <b>19,076</b>  | <b>629,062</b> | <b>(444,090)</b> | <b>(182,717)</b> | <b>21,331</b>    |

#### Designated

|                                       |                  |               |                  |                |                  |
|---------------------------------------|------------------|---------------|------------------|----------------|------------------|
| Building, assets & mortgage           | 1,205,911        | -             | (25,914)         | 38,757         | <b>1,218,754</b> |
| Working capital                       | 78,000           | -             | -                | -              | <b>78,000</b>    |
| Big ticket building                   | 121,394          | 31,675        | (178,778)        | 173,555        | <b>147,846</b>   |
| Building development fund             | 87,751           | -             | -                | (87,751)       | -                |
| Mission, social action & partnerships | 18,097           | -             | (28,804)         | 30,616         | <b>19,909</b>    |
| International leadership              | -                | -             | -                | 7,500          | <b>7,500</b>     |
|                                       | <b>1,511,153</b> | <b>31,675</b> | <b>(233,496)</b> | <b>162,677</b> | <b>1,472,009</b> |

#### Total Unrestricted

|  |                  |                |                  |                 |                  |
|--|------------------|----------------|------------------|-----------------|------------------|
|  | <b>1,530,229</b> | <b>660,737</b> | <b>(677,586)</b> | <b>(20,040)</b> | <b>1,493,340</b> |
|--|------------------|----------------|------------------|-----------------|------------------|

#### Restricted Funds

|  |     |         |          |        |                |
|--|-----|---------|----------|--------|----------------|
| Gifts                                      | 722 | 10,469  | (10,851) | -      | <b>340</b>     |
| Alpha food gift                            | 197 | -       | (197)    | -      | -              |
| Welcome boxes                              | 345 | -       | (345)    | -      | -              |
| Mission, social action & partnerships: CRW | -   | 56,866  | (39,770) | 20,040 | <b>37,136</b>  |
| Gift day 2022                              | -   | 133,094 | (21,084) | -      | <b>112,010</b> |
| Punjab trip restricted gift                | -   | 1,000   | -        | -      | <b>1,000</b>   |

#### Total Restricted

|  |              |                |                 |               |                |
|--|--------------|----------------|-----------------|---------------|----------------|
|  | <b>1,264</b> | <b>201,429</b> | <b>(72,247)</b> | <b>20,040</b> | <b>150,486</b> |
|--|--------------|----------------|-----------------|---------------|----------------|

#### Total Funds

|  |                  |                |                  |          |                  |
|--|------------------|----------------|------------------|----------|------------------|
|  | <b>1,531,493</b> | <b>862,166</b> | <b>(749,833)</b> | <b>-</b> | <b>1,643,826</b> |
|--|------------------|----------------|------------------|----------|------------------|

# City Church Newcastle

Year Ended 31 August 2023

## Notes to the Financial Statements

### *Analysis of Charitable Funds cont.*

#### Unrestricted Funds

|  | 1 Sept 21<br>£   | Income<br>£    | Expenditure<br>£ | Transfers<br>£   | 31 Aug 2022<br>£ |
|--|------------------|----------------|------------------|------------------|------------------|
| <b>Unrestricted</b>                        |                  |                |                  |                  |                  |
| General                                    | 39,392           | 597,986        | (390,239)        | (228,063)        | <b>19,076</b>    |
|  | <b>39,392</b>    | <b>597,986</b> | <b>(390,239)</b> | <b>(228,063)</b> | <b>19,076</b>    |
| <b>Designated</b>                          |                  |                |                  |                  |                  |
| Building, assets & mortgage                | 1,165,707        | -              | (19,394)         | 59,598           | <b>1,205,911</b> |
| Working capital                            | 78,000           | -              | -                | -                | <b>78,000</b>    |
| Big ticket building                        | 76,000           | -              | (11,415)         | 56,809           | <b>121,394</b>   |
| Building development fund                  | 25,184           | -              | (9)              | 62,576           | <b>87,751</b>    |
| Mission, social action & partnerships      | -                | -              | (30,638)         | 48,735           | <b>18,097</b>    |
|  | <b>1,344,891</b> | <b>-</b>       | <b>(61,456)</b>  | <b>227,718</b>   | <b>1,511,153</b> |
| <b>Total Unrestricted</b>                  | <b>1,384,283</b> | <b>597,986</b> | <b>(451,695)</b> | <b>(345)</b>     | <b>1,530,229</b> |
| <b>Restricted Funds</b>                    |                  |                |                  |                  |                  |
| Gifts                                      | -                | 16,721         | (15,999)         | -                | <b>722</b>       |
| Alpha food gift                            | 832              | -              | (635)            | -                | <b>197</b>       |
| Welcome boxes                              | 2,285            | -              | (1,940)          | -                | <b>345</b>       |
| Mission, social action & partnerships: CRW | -                | 20,000         | (20,345)         | 345              | <b>-</b>         |
| <b>Total Restricted</b>                    | <b>3,117</b>     | <b>36,721</b>  | <b>(38,919)</b>  | <b>345</b>       | <b>1,264</b>     |
| <b>Total Funds</b>                         | <b>1,387,400</b> | <b>634,707</b> | <b>(490,614)</b> | <b>-</b>         | <b>1,531,493</b> |

#### Fund Transfers

|                                       |   |
|---------------------------------------|---|
| Building, assets & mortgage           | Transfer for the fund balance to match the closing fixed asset balance less secured mortgage. |
| Big ticket building                   | Transfer to increase the designated fund.   |
| Building development fund             | Transfer to increase the designated fund.   |
| Mission, social action & partnerships | Transfer to increase the designated fund.   |



# City Church Newcastle

Year Ended 31 August 2023

## 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.  |
| Mission, social action & partnerships     | Grants Funding for a City Refugee Welcome Co-ordinator.  |
| International leadership development fund | Money set aside for enabling individuals from overseas to come to the UK to serve the church and to study.           |

#### 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.                    |
| Mission, social action & partnerships: CRW | Grants Funding for a City Refugee Welcome Co-ordinator.                  |
| Gift day 2022                              | Special Offering for Church Building works and Establishing a CAP Centre |
| Punjab trip restricted gift                | Restricted Gift to be used towards an overseas trip                      |

# City Church Newcastle

Year Ended 31 August 2023

## Notes to the Financial Statements

### 14 Analysis of Net Assets Between Funds

|                            | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|----------------------------|----------------------------|--------------------------|--------------------------|
| Fixed assets               | 1,772,448                  | -                        | <b>1,772,448</b>         |
| Current assets             | 298,715                    | 150,486                  | <b>449,201</b>           |
| Creditors less than 1 year | (67,129)                   | -                        | <b>(67,129)</b>          |
| Creditors after one 1 year | (510,695)                  | -                        | <b>(510,695)</b>         |
|                            | <u>1,493,340</u>           | <u>150,486</u>           | <u><b>1,643,826</b></u>  |

  

|                            | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|----------------------------|----------------------------|--------------------------|--------------------------|
| Fixed assets               | 1,782,913                  | -                        | 1,782,913                |
| Current assets             | 351,905                    | 1,264                    | 353,169                  |
| Creditors less than 1 year | (55,587)                   | -                        | (55,587)                 |
| Creditors after one 1 year | (549,002)                  | -                        | (549,002)                |
|                            | <u>1,530,229</u>           | <u>1,264</u>             | <u>1,531,493</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 (2022: £0).

### 17 Prior Period Adjustment

In the year ending 31st August 2022, £11,910 of building work professional fees were capitalised. However, during the accounts examination for the year ending 31st August 2023 (when the majority of the building work was completed) it was concluded that the nature of the building work carried out did not meet the criteria to recognise it as an asset and therefore the capitalisation of the 2022 expenses have reversed and associated depreciation removed. The 2022 figures in this set of accounts have been adjusted accordingly.

|                            | Original<br>£ | Restated<br>£ |
|----------------------------|---------------|---------------|
| Fixed asset net book value | 1,688,632     | 1,677,913     |
| Unrestricted fund balance  | 1,540,948     | 1,530,229     |