

CORNERSTONE COLLECTIVE OF CHURCHES

England & Wales · Charity number 1152099

Details

| | |
|-------------|---|
| Other names | CORNERSTONE CHURCH, LIVERPOOL, CORNERSTONE CHURCH |
| Status | Registered |
| Legal form | CIO |
| Registered | 2013-05-20 |
| Register | View on the Charity Commission register |

Contact

| | |
|---------|---|
| Address | Cornerstone Collective Of Churches Cornerstone Church Dovedale Road Liverpool Merseyside L18 1DW |
| Phone | 0151 345 8558 |
| Email | info@cornerstone-collective.org |
| Website | www.cornerstone-collective.org/churches |

Activities

Objects: THE CHARITY'S OBJECTS ARE, FOR THE PUBLIC BENEFIT:-1) TO ADVANCE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF BELIEFS IN LIVERPOOL, MERSEYSIDE AND IN SUCH OTHER PARTS OF THE UNITED KINGDOM AND THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT.

Activities: Public preaching of the Gospel in order to advance the Christian faith in our sphere of operation; training men and women for church leadership, and running activities open to our communities such as parent/carer and toddler/baby groups, a food pantry, youth groups, fitness classes and support for the development of wider skill sets. Planting churches through the development of Gospel Communities.

Classification

- **How:** Provides Services
- **What:** General Charitable Purposes, Religious Activities
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- Liverpool City
- Wirral

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|----------|-------------|------------|-----------|
| 2025-07-31 | £985,369 | £772,756 | £1,181,303 | 12 |
| 2024-07-31 | £706,749 | £698,751 | £970,421 | 12 |
| 2023-07-31 | £639,777 | £624,638 | £962,423 | 12 |
| 2022-07-31 | £568,810 | £491,965 | £947,283 | 11 |
| 2021-07-31 | £605,023 | £347,966 | £870,438 | 7 |

Trustees

| Name | Role | Appointed |
|--------------------------------|-------|------------|
| MATTHEW ROBERT NEWBERRY | Chair | 2017-06-26 |
| ALAN JOHN TAYLOR | | 2013-05-17 |
| ANDREW CURTIS CRAIG | | 2013-05-17 |
| ANNA NICOLE WOOD | | 2017-03-20 |
| CHRISTIAN NEIL FORSYTHE | | 2017-03-20 |
| LEE STANLEY HORNE | | 2016-01-16 |
| STEVEN LEE ROBINSON | | 2013-05-17 |

CORNERSTONE COLLECTIVE OF CHURCHES

England & Wales - Charity number 1152099

Accounts

Cornerstone Collective of Churches

Report and Accounts
Year ended 31 July 2025

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

CORNERSTONE COLLECTIVE OF CHURCHES

CHARITY INFORMATION

FOR THE YEAR ENDED 31 JULY 2025

| | |
|------------------------------------|--|
| Trustees | A Craig N Forsythe L Horne M Newberry S Robinson A Taylor A Wood |
| Key Staff | G Osborn C Simons P Elms |
| Governing Document | Constitution dated 15 April 2025 |
| Charity Registration Number | 1152099 |
| Registered Office | Cornerstone Church Dovedale Road Liverpool Merseyside L18 1DW |
| Independent Examiner | Sarah Crispin ACA Stewardship 1 Lamb's Passage London EC1Y 8AB |
| Bankers | HSBC Bank plc Nat West Bank Plc |

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**CORNERSTONE COLLECTIVE OF CHURCHES
(FORMERLY CORNERSTONE CHURCH, LIVERPOOL)
TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 JULY 2025

The trustees, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity:

The charity is a Charitable Incorporated Organisation (converted from a Charitable Company to a CIO on 15 April 2025) and is governed by its constitution. The objects of the charity, as set out in the governing document are:

1. To advance the Christian faith through the public preaching of the gospel
2. To demonstrate the Christian faith through the training of men and women for Church leadership, parent/carer and baby/toddler groups, teaching and training of children and young people, involvement in community activities; including the planting of local gospel communities and planting churches.
3. In accordance with the Statement of Beliefs in the areas of Liverpool, Merseyside and in such parts of the United Kingdom and the wider world as the trustees may from time to time see fit.

Structure, Governance and Management:

- **Organisational Structure** – The charity is structured with overall governance provided by the Board of Trustees. The day-to-day management of the charity and its churches is delegated by the Trustees to the Director, Operations Director and members of Key Management, in this charity's case the Lead Pastors, across each church and the charity as a whole. Each member of the 'management team' are then responsible for the staff and volunteer teams in their local church context from a line management and operational perspective.
- **How the charity makes decisions** – The Trustees are responsible for approving policies and procedures in place in the charity and holding the key management staff to account over the effective implementation of policies and procedures across the charity. The responsibility for researching and planning policy is delegated by the Trustees to the Operations Director, who then provides draft policies and plans to the Trustees at their quarterly meetings. Each individual church eldership within the charity has authority acknowledged by the Trustees to plan and make decisions regarding their gospel activities in the local church context, with accountability to the Trust Board remaining in place.
- **Policies and Procedures for Inducting and Training Trustees** – New Trustees are recruited and appointed to the Trust Board by existing Trust Board members, as per the CIO constitution. This process includes identifying the suitability of new Trustees by reviewing their existing skills and experience, meeting with them to share details of the role of a Trustee, inviting them to attend a Board meeting as an observer and then determining whether to invite them onto the Board. If new Trustees are invited to join the Board, they are then provided with a range of guidance materials regarding the role of a Trustee and invited to attend external training on the role (e.g. training sessions provided by the Charity Commission).
- **Arrangements for Setting Pay for Key Management Personnel** – Cornerstone Collective of Churches has devised a salary structure for employees of the charity that has been benchmarked against a range of external organisations; public, private and third sectors. The Key Management personnel salary setting and reviewing is completed through a process that involves the Trust Board reviewing salaries first (without Trustees that are employed being involved in discussions or decisions about their own pay), then making recommendations to each church eldership group for their review of their employees, including (if relevant) Key Management personnel. Again, no employees can contribute to discussions or decisions about their own pay unless specific information is required from them. The salary recommendations then return to the Trust Board for final review and adoption of decisions agreed to.
- **Impact of Wider Networks and Relationships with Other Organisations** – Cornerstone Collective of Churches has actively sought to be part of wider networks that align with the priorities and statement of faith held by Cornerstone Collective. Some of these are local groups of churches in Merseyside, some are national (e.g. FIEC) and some are international (e.g. Grimké Seminary in the USA). These networks and relationships have been beneficial to the charity and its churches as they help create a focus for the

work of Cornerstone Collective beyond the local context and increase the impact the charity is able to have. Additionally, the relational and training support provided by the external relationships and organisations has enabled the work done by Cornerstone Collective to be more effective and impactful.

Review of Activities:

In planning the activities, the Trustees have considered the guidance on public benefit issued by the Charity Commission.

1. Church Activities

In the last 12 months we have seen membership across the churches of Cornerstone Collective increase, counteracting the small decline in member numbers in the previous financial year (resulting from leadership turbulence in one church). Member numbers in the 2022-2023 year were 230, in 2023-2024 they were 222 and in 2024-2025 they have increase to 238. The partnership we formed with Orrell Park Baptist Church in 2022, where we sent a small team of members to support a revitalisation of the church in North Liverpool, has continued to strengthen and although they are not run by Cornerstone Collective at this time, we are delighted to witness a growth in their membership. This is a wonderful outworking of our charitable objectives continuing via our partnership with Orrell Park Baptist Church.

We have continued to prioritise the work the churches have been doing with children and young people in our church communities throughout this financial year. Across the churches there are regularly around 100 children aged 11 and under who participate in 'Kids' Church' (time spent teaching children about God and the Bible, as well as building relationships with each other) on Sunday mornings, alongside the main church services. Older children and young people have a weekly group available to them at Cornerstone Liverpool (for young people across all Cornerstone Collective Liverpool based churches), and at Cornerstone Wirral, where they gather socially and to study the Bible, with extra social events on occasion as well. Attendance at these groups averages around 40-50 young people each week. The leaders involved in the youth ministry are planning a Cornerstone Collective Youth Camp for October 2025 with all young people invited from across the churches and this is a real encouragement – to be in a position to run a camp ourselves is something to be celebrated as it shows a real growth in young people numbers. In addition to these Bible-based settings we also run parent/carer and baby/pre-school sessions on a weekly basis which are designed to welcome people into the Liverpool, Wirral and Hope churches for a time of support for the adults, and stimulation and learning through play for the children. An average of around 150 people have been attending these various groups weekly this past year, which has been a real blessing to all involved, including the attendees – this also contributes to the fulfilment of our 2nd charitable objective.

2. Food Pantry

The Hope Fridge Food Pantry has continued to be a valuable service in the Kensington community of Liverpool. With an average client number of 40-50 per week, and with around half of them also staying at Hope Church for a Hope Fridge Community Lunch afterwards, the impact on people who use the service is hugely tangible. There has been a noticeable increase in client numbers in recent months, attributed to two other local food banks ceasing their operations due to a lack of funding.

As a result of people attending Hope Fridge, there have also been a number of people who have attended church services and courses to find out more about Christianity as a result of their connection, further evidencing the need for this activity, as well as demonstrating how it contributes to meeting the charitable objects of Cornerstone Collective.

Hope Fridge continues to operate one morning per week as that is what is viable financially for us currently, but there are plans in motion for a separate CIO to be established for Hope Fridge to function as part of, with the new CIO (Love Liverpool) focusing on a range of social justice initiatives as it gets established over time. This will hopefully happen during the new financial year, increasing the possibility of Hope Fridge increasing its hours/days of operation. The new CIO will be set up to remain closely connected to Cornerstone Collective so the work of both organisations can be supportive and complementary.

3. Theological Training

The main way in which the training aspect of the charitable objects has been executed over the past 12 months has been through the establishment of Grimké Europe as a Theological Training college operated as a project of Cornerstone Collective. This has been borne out through a partnership with an existing training provide called Grimké Seminary, which is based in the USA.

The first cohort of students in September 2024 numbered 8, with them embarking on a 3-year theological training journey to prepare them for pastoral ministry in a practical, local church context. The first year ran very smoothly, in part a result of the support and input from the US Grimké Seminary staff, and the number enrolled for the second academic year, beginning in September 2025, is now 13, indicating a positive trajectory for this project.

On a more relational level, Cornerstone Collective has also continued its gathering of leaders of churches from across Merseyside 3 times over the past year, offering time together for relational benefit, but also with time for lunch and teaching afterwards.

A larger scale training event took place in June 2025, with a 'Pastor's Gathering' spanning three days that incorporated a range of teaching sessions, as well as significant time for support and building one another up in the ministry work being undertaken by those who attended. This was a joint event with a church from Newport in South Wales, but hosted in Liverpool, further establishing the importance Cornerstone Collective places on training people for Gospel work across the region and the UK.

Financial Review

On a hugely positively note, our churches and organisation ended the financial year on 31st July 2025 with a substantial financial surplus in our 'General' fund (our operational finance stream, separate from restricted and designated funds) which is fantastic, and as a Christian organisation we thank God for this. This position enables us to reinvest in the charity and plan for the future in a healthy, stable financial position.

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. Select suitable accounting policies and applying them consistently
2. Observe the methods and principles in the Charities SORP
3. Make judgements and estimates that are reasonable and prudent
4. State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
5. Preparing the financial statements on a 'going concern' basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financially, Cornerstone Collective of Churches has spent the year securing running four churches and partnering with Orrell Park Baptist church as well, and we are pleased to report that the financial profile has remained stable operationally, with some areas of growth noted as well. All of this allows the functioning of the Collective and its churches to continue to move forward in their work.

Remedial work has continued on the building used by Cornerstone Church Liverpool, this past year focusing on tackling extensive dry rot in multiple locations of the building, rear hall roof areas repairs and upgrading of the toilets across the church. These remedial works have been slow, frustrating and expensive at times, but we are

so blessed to be in a position financially to be able to undertake this next tranche of work. The majority of the funds we are working with now have come from internal fundraising from the Cornerstone Liverpool congregation, but we are also incredibly grateful to Veolia Environmental Trust for their generous grant for the toilets work.

Our other owned property, Cornerstone Church Wirral, has also had investment in its building this year, with a range of grants contributing towards the cost of structural repairs to the back wall of the rear hall of the building. The repairs were urgent in nature, and we are again so thankful for the funders who have supported the church activities in this practical way.

Both church buildings are in need of further remedial and renovation work in the coming years, so fundraising plans for both churches are in place and being worked out and extended as a priority area.

A further area in which the organisation has been financially blessed has been the support received for Hope Church's Food Pantry 'Hope Fridge'. It launched the food pantry in January 2023, opening for 2 hours each Thursday and supplying around £25 of food for a £3.50 donation from clients. It has been a massive blessing to the local community, and it was blessed with £22,960.89 (between 1 August 2024 and 31 July 2025) in grants and donations to keep it running each week.

Linked to Hope Church is a role established through a partnership with The Message Trust, who provided a diminishing contribution towards the employment costs of someone working at Hope Church to undertake work linked to the aims of both Cornerstone Collective and The Message Trust. The final contribution was received in August 2024, which meant that in February 2025 the role had to have its hours cut as we didn't have the funds to support it, but by July we were delighted to have secured more funding to reinstate the role, this time on a full-time basis.

The launch of Grimké Europe has resulted in income restricted for use in the work of the theological training work, primarily as contributions towards salaries of two members of our staff who are leading on the project, alongside the costs involved in running two week-long 'intensives' of training at Cornerstone Liverpool, where all the students and staff gather for face to face training to supplement the online training undertaken throughout the rest of the year.

The final significant source of income worthy of note from 2024-2025 for the charity is from Frontline Church, Oklahoma. We have had a long-standing connection with this church, and as part of their twenty-year celebration as a church, they incredibly generously gave us \$125,000. At their request, we have allocated £15,000 of this towards the role mentioned above that had been linked to The Message Trust historically, £20,000 towards the installation and upgrade of AV/Tech required at Cornerstone Liverpool (including, for example, the installation of functional Wi-Fi throughout the building) and the remainder into our Church Planting/Strengthening/Giving fund so that we have funds available to allocate to church planting, strengthening and training needs as they arise in the future.

As we move into the 2025-2026 financial year there are some additional financial considerations for us to plan for. Firstly, we have become visa sponsors for a family from the USA who have raised external financial support for us to employ them to work at Hope Church in a missionary context to support the work of the church there. We are therefore set to receive the funding to support their roles in 2025-2026 and this funding will be applied in our accounts as appropriate. Secondly, the building that Hope Church currently rents is being put up for sale by its current owners, so we are considering options available to us to enable an offer to purchase it to be made. And thirdly, we are planning a Collective-wide weekend festival in June 2026 which will incur significant costs, as well as ticket sales to support this. We have secured £20,000 from the Gospel Fruits Foundation to help with the start-up costs of this event, due to be received in March 2026, and with the various costs involved in an event such as this, we will need to ensure robust financial management of the event in our accounts.

Overall, the finances of the general functioning of the organisation have been managed well. The (general operating) expenditure of 2024-2025 was £606,503, with the income being £519,324, ending the financial year with a general operational surplus of £46,161 after fund transfers. Looking at the broader income and

expenditure of the charity, and including all restricted funds received and expenditure from these, the income is significantly above expenditure, predominantly due to funds raised for the Cornerstone Liverpool building and the donation from Frontline OKC already mentioned. Budgets have been produced for the 2025-2026 financial year to ensure that all relevant donations we receive are used in accordance with Charity Law and to aid the charity to meet its charitable objectives.

Moving into 2025-2026, we are financially stable but are also acutely aware of the broader economic context of the UK, in which we function. Relatively recent historic rising inflation and interest rates may well impact the level of donations received by Cornerstone Collective of Churches, as well as the ongoing high price of gas and electricity is hitting the running costs of the churches. Therefore, we must operate our planned budget with clear prudence to ensure that we can continue to function if our income decreases, or if our expenditure increases beyond what we have anticipated. As the organisation has increased its employed numbers over the past few years, we are also actively increasing the funds we hold in our contingency fund to provide longer term financial security for our operational costs.

The trustees remain determined that none of the financial undertakings distract us from the charitable aims and objectives of the charity – to spread the Gospel of Jesus Christ and the Salvation he offers across Merseyside, and we remain truly thankful to God for his financial provision and protection of His churches. The unrestricted surplus the charity was left with at the end of 2024-2025 will be reinvested in the charity to ensure that meeting the charitable aims and objectives continue to be our focus. We have committed to continuing in these endeavours and financially we will work hard to allow this to continue with growth of the existing churches, as well as planning to plant and revitalise new ones as opportunities to do so arise.

Reserves Policy

The charity recognises its responsibility to pursue a healthy financial position to help safeguard the aims of the charity and its staff. Finances are reviewed monthly, and the Cornerstone Collective of Churches budget considers how we can protect, and potentially grow, our reserve to ensure our long-term financial health and sustainability.

Due to the nature of the charity and its aims, it is not unexpected that from time to time the Cornerstone Collective of Churches might function with an operational deficit. However, at any given time, and whenever possible, it will endeavour to hold three months of salary payments (equivalent to approximately £99,000 as of 31 July 2025 when including employer pension and NI contributions) in the bank as a financial reserve as a means to comply with the Code of Governance for Charities and IPC's (Guideline 6.3.1). This is incorporated into our contingency and general fund, which is identified clearly and reviewed regularly. Restricted funds are not considered, except to the extent that they are available to fund salary costs.

The level of unrestricted general cash reserves as of 31st July 2025 was around £100,000. After analysing existing funds, cash flow (with income from regular givers remaining broadly stable) and forecasting expenditure based on planned activities, Cornerstone Collective of Churches considered this to be an appropriate reserve at the end of the financial year. Although some of these funds are designated rather than unrestricted, some of the restricted funds (e.g. Hope Church Fund) are already, and can continue to be, utilised for salaries of individuals to offset the total unrestricted amount needed. This amount and approach is reviewed on an annual basis, as well as being adjusted when new staff are first employed to ensure that there is capacity to increase the cash reserves over time should this be required in order for the charity to comply with Guideline 6.3.1 mentioned earlier. As previously mentioned, the Trust Board have decided to aim to increase the level of funds held in the contingency fund over the course of the new financial year to ensure we remain financially prudent.

When it is not possible to maintain our financial reserve to the agreed levels, Cornerstone Collective of Churches is committed to taking sensible steps with the Elders and staff to ensure that the Collective of Churches continues with its charitable aims, whilst also demonstrating the appropriate financial restraint. In these instances, the regular income and regular expenditure is a key consideration, and the reserve would be used in the following ways:

1. Fulfilling current obligations (bills and fixed operational costs)

2. Payment of Staff Salaries

Due to the nature of the Cornerstone Collective of Churches' activities it is possible to reduce other monthly expenditure quickly, but it must be noted that this would influence the ability of the churches to fulfil their vision and charitable aims.

The Cornerstone Collective of Churches is also committed to increasing its regular income on a consistent basis, particularly as the Collective of Churches grows (numerically in individual churches as well as in the total number of churches in or partnered with the Collective), but it also reserves its right as a 'faith-based charity' to trust God for such financial provision. The demographic of the Cornerstone Collective of Churches membership and our various partnerships should also add another layer of confidence if the financial reserve was breached.

Risk Statement

The Trustees have reviewed the risks to which a small charity operating with few employees is exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

Approval

This report was approved by the trustees and signed on their behalf by:

M Newberry

M Newberry (Feb 1, 2026 22:16:12 GMT)

Matthew Newberry, Chair of Trustees

Date: Feb 1, 2026

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
CORNERSTONE COLLECTIVE OF CHURCHES
('the Charity')

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 July 2025 on pages 9 to 21 following, which have been prepared on the basis of the accounting policies set out on pages 12 and 13.

Responsibilities and basis of report

As the charity's trustees of the Charitable Incorporated Organisation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 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

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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.

Sarah Crispin

Sarah Crispin (Feb 2, 2026 10:24:09 GMT)

Sarah Crispin ACA
Institute of Chartered Accountants in England and Wales

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: Feb 2, 2026

CORNERSTONE COLLECTIVE OF CHURCHES
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2025

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2025 £ | Total Funds 2024 £ |
|------------------------------------|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Donations | 3 | 501,612 | 451,201 | 952,813 | 621,638 |
| Charitable activities | 4 | 1,250 | 12,315 | 13,565 | 39,700 |
| Other trading activities | 5 | 17,992 | 1,000 | 18,992 | 18,860 |
| Other income | | - | - | - | 5 |
| Total income and endowments | | 520,854 | 464,516 | 985,369 | 680,203 |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 6 | 606,820 | 165,936 | 772,756 | 673,936 |
| Total expenditure | | 606,820 | 165,936 | 772,756 | 673,936 |
| Net income/(expenditure) | | (85,967) | 298,580 | 212,613 | 6,267 |
| Transfers between funds | 13 | 134,558 | (134,558) | - | - |
| Net movement in funds | | 48,592 | 164,021 | 212,613 | 6,267 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 860,366 | 108,324 | 968,690 | 962,423 |
| Total funds carried forward | 13 | 908,958 | 272,346 | 1,181,303 | 968,690 |

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

All income and expenditure derive from continuing operations.

The notes on pages 12-20 form part of these accounts.

CORNERSTONE COLLECTIVE OF CHURCHES

BALANCE SHEET

AS AT 31 JULY 2025

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2025 £ | Total Funds 2024 £ |
|---|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | 815,391 | - | 815,391 | 792,477 |
| | | <u>815,391</u> | <u>-</u> | <u>815,391</u> | <u>792,477</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 9 | 10,945 | 8,709 | 19,654 | 21,827 |
| Cash at bank and in hand | 10 | 89,104 | 278,117 | 367,221 | 175,781 |
| | | 100,048 | 286,826 | 386,875 | 197,608 |
| CREDITORS: Amounts falling due within one year | 11 | (6,481) | (14,481) | (20,962) | (21,395) |
| Net current assets / (liabilities) | | <u>93,567</u> | <u>272,346</u> | <u>365,912</u> | <u>176,213</u> |
| Total assets less current liabilities | | <u>908,958</u> | <u>272,346</u> | <u>1,181,303</u> | <u>968,690</u> |
| TOTAL NET ASSETS | | <u>908,958</u> | <u>272,346</u> | <u>1,181,303</u> | <u>968,690</u> |
| FUND BALANCES | 13 | | | | |
| Unrestricted Funds | | | | | |
| General funds | | 889,703 | - | 889,703 | 843,542 |
| Designated funds | | 19,254 | - | 19,254 | 16,824 |
| | | <u>908,958</u> | <u>-</u> | <u>908,957</u> | <u>860,366</u> |
| Restricted Funds | | <u>-</u> | <u>272,346</u> | <u>272,346</u> | <u>108,324</u> |
| | | <u>908,958</u> | <u>272,346</u> | <u>1,181,303</u> | <u>968,690</u> |

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

M Newberry

M Newberry (Feb 1, 2026 22:16:12 GMT)

Matthew Newberry

Date: Feb 1, 2026

Charity number: 1152099

The notes on pages 12-20 form part of these accounts.

CORNERSTONE COLLECTIVE OF CHURCHES
FOR THE YEAR ENDED 31 JULY 2025
CASH FLOW STATEMENT

| | Note | 2025 £ | 2024 £ |
|---|------|------------------|------------------|
| Cash flows from operating activities: | | | |
| Net cash provided by/(used in) operating activities | a | <u>343,915</u> | <u>107,076</u> |
| Cash flows from investing activities: | | | |
| Purchase of property, plant and equipment | | (152,475) | (127,332) |
| Net cash provided by/(used in) investing activities | | <u>(152,475)</u> | <u>(127,332)</u> |
| Change in cash and equivalents in the reporting period | | 191,440 | (20,256) |
| Cash and equivalents at the beginning of the year | b | <u>175,781</u> | <u>196,037</u> |
| Cash and cash equivalents at the end of the year | b | <u>367,221</u> | <u>175,781</u> |

Note a: Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | 2025 £ | 2024 £ |
|---|----------------|----------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | 212,613 | 6,267 |
| Adjustments for: | | |
| Depreciation charges and provisions for impairment | 129,561 | 98,110 |
| (Increase)/decrease in stocks | - | 130 |
| (Increase)/decrease in debtors | 2,174 | (11,842) |
| Increase/(decrease) in creditors | (433) | 14,411 |
| Net cash provided by (used in) operating activities | <u>343,915</u> | <u>107,076</u> |

Note b: Analysis of cash and cash equivalents

| | 2025 £ | 2024 £ |
|--|----------------|----------------|
| Cash at bank with immediate access | 367,211 | 175,771 |
| Petty cash | 10 | 10 |
| Total cash and cash equivalents | <u>367,221</u> | <u>175,781</u> |

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2025

1 Statutory Information

The charity is a charitable incorporated organisation registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The previous year's results have been restated to reflect the correction of an error in a prior period. The results for 2024, which are comparatives quoted in these accounts, have been restated; details of the restatement are given in note 16.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity. When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. Donated fixed assets are capitalised.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats including youth events and income received for seconded staff.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from hire of church rooms.

Other income includes gains arising from the disposal of tangible fixed assets.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2025

2 Accounting Policies (cont.)

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

| | |
|-----------------------|---|
| Freehold land | Is not depreciated (because it is not consumed by use) |
| Freehold buildings | Over 50 years after taking account of the building's residual value |
| Freehold improvements | Over 5 years |
| Equipment & Fixtures | Over 5 years |

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

3 Donations

| | Church operations | Food pantry | Theological training | 2025 £ | 2024 £ |
|-------------------------------|-------------------|---------------|----------------------|----------------|----------------|
| Donations of cash and similar | 557,036 | 21,833 | - | 578,869 | 441,067 |
| Donations in kind (note 3a) | - | - | - | - | 34,819 |
| Government grants | 23,389 | - | - | 23,389 | 21,805 |
| Other grants receivable | 203,488 | 883 | 36,558 | 240,929 | 47,810 |
| Income tax recoverable | 109,381 | 245 | - | 109,626 | 76,136 |
| | <u>893,294</u> | <u>22,961</u> | <u>36,558</u> | <u>952,813</u> | <u>621,638</u> |

a Donations in kind comprise:

| | 2025 £ | 2024 £ |
|----------------------|-----------|---------------|
| Donated fixed assets | - | 34,819 |
| | <u>-</u> | <u>34,819</u> |

Donated fixed assets represents freehold improvement costs where the contractor was paid directly by the grant maker.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2025

4 Income from charitable activities

| | 2025 | 2024 |
|--|---------------|---------------|
| | £ | £ |
| Church retreats, events and activities | 13,565 | 9,039 |
| Contribution for seconded staff costs | - | 30,660 |
| | <u>13,565</u> | <u>39,700</u> |

5 Income from other trading activities

| | 2025 | 2024 |
|-----------|---------------|---------------|
| | £ | £ |
| Room hire | 18,992 | 18,860 |
| | <u>18,992</u> | <u>18,860</u> |

6 Charitable expenditure

| | Church operations | Food pantry | Theological training | Total Charitable Expenditure 2025 |
|----------------------------------|-------------------|---------------|----------------------|-----------------------------------|
| Incurring directly on activities | | | | |
| Staff costs | 353,655 | 6,813 | 22,071 | 382,538 |
| Premises costs | 58,866 | 3,250 | - | 62,116 |
| Pastoral & Ministry expenses | 16,415 | - | - | 16,415 |
| Training and conferences | 39,042 | - | - | 39,042 |
| Travel | 29,965 | - | - | 29,965 |
| Dovedale building project | 5,611 | - | - | 5,611 |
| Depreciation | 129,561 | - | - | 129,561 |
| Church planting | 6,096 | - | - | 6,096 |
| Other direct costs | 5,467 | 25,229 | 22,071 | 52,767 |
| Grants payable | 14,080 | - | - | 14,080 |
| Support costs | | | | |
| Office costs | 21,102 | 25 | 40 | 21,167 |
| Insurance | 8,139 | - | - | 8,139 |
| Governance | 4,940 | 123 | 195 | 5,257 |
| | <u>692,940</u> | <u>35,439</u> | <u>44,377</u> | <u>772,756</u> |

| | Church operations | Food pantry | Theological training | Total Charitable Expenditure 2024 |
|----------------------------------|-------------------|---------------|----------------------|-----------------------------------|
| Incurring directly on activities | | | | |
| Staff costs | 364,810 | 4,750 | - | 369,560 |
| Premises costs | 37,509 | 3,000 | - | 40,509 |
| Pastoral & Ministry expenses | 29,036 | - | - | 29,036 |
| Training and conferences | 17,854 | - | - | 17,854 |
| Travel | 22,145 | - | - | 22,145 |
| Depreciation | 98,110 | - | - | 98,110 |
| Church planting | 5,585 | - | - | 5,585 |
| Other direct costs | 7,802 | 25,158 | 4,689 | 37,649 |
| Grants payable | 22,937 | - | - | 22,937 |
| Support costs | | | | |
| Office costs | 16,972 | 73 | 5 | 17,050 |
| Insurance | 7,281 | - | - | 7,281 |
| Legal and Professional Fees | 1,778 | - | - | 1,778 |
| Governance | 4,106 | 312 | 22 | 4,440 |
| | <u>635,926</u> | <u>33,293</u> | <u>4,717</u> | <u>673,936</u> |

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025

6 Charitable expenditure (cont.)

The fee payable to the independent examiner for preparing and examining the accounts was £5,184 (2024: £4,440); in addition the charity paid £1,756 (2024: £1,500) to Stewardship for payroll bureau and consultancy services.

c Grants payable

| | Institutions £ | Individuals £ | 2025 £ |
|--|-------------------|------------------|---------------|
| Grants for UK and overseas mission | 10,974 | 2,499 | 13,473 |
| Grants for environmental & community support | 557 | 50 | 607 |
| | <u>11,531</u> | <u>2,549</u> | <u>14,080</u> |

The comparatives for the previous year are as follows:

| | Institutions £ | Individuals £ | 2024 £ |
|------------------------------------|-------------------|------------------|---------------|
| Grants for UK and overseas mission | 15,408 | 1,057 | 16,465 |
| Grants for the relief of poverty | 6,472 | - | 6,472 |
| | <u>21,880</u> | <u>1,057</u> | <u>22,937</u> |

The charity's principal grants to institutions comprised:

| | 2025 £ | 2024 £ |
|---|---------------|---------------|
| Fellowship of Independent Evangelical Churches (FIEC) | 3,500 | 2,400 |
| Acts 29 | 3,594 | 7,128 |
| The Message Trust | 600 | 1,200 |
| OMF | 1,800 | 1,900 |
| The Church in Sweden | 1,300 | 1,200 |
| The Church Office | - | 1,500 |
| Valencia Communities Fund | - | 6,472 |
| Grants to institutions for less than £1,000 each | 737 | 80 |
| | <u>11,531</u> | <u>21,880</u> |

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration

| | 2025 £ | 2024 £ |
|---------------------------|----------------|----------------|
| Gross wages and salaries | 329,418 | 306,194 |
| Social security | 23,369 | 22,819 |
| Pension costs | 19,765 | 18,391 |
| Other employment benefits | 1,229 | 692 |
| | <u>373,782</u> | <u>348,096</u> |

The average monthly number of employees during the year was 12 (2024: 11.5). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

| | Wages & salaries | Ex-gratia payments | Employer pension contributions | 2025 £ |
|---------------------------------|------------------|--------------------|--------------------------------|----------------|
| Trustees: | | | | |
| S Robinson | 55,947 | - | 3,357 | 59,304 |
| A Wood | 36,051 | - | 2,163 | 38,214 |
| N Forsythe | 38,040 | - | 2,282 | 40,322 |
| Other members of key management | 103,905 | | 6,234 | 110,140 |
| | | | | <u>247,980</u> |

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration (cont.)

The following amounts were payable in the previous year:

| | Wages & salaries | Other employment benefits | Employer pension contributions | 2024 £ |
|---------------------------------|------------------|---------------------------|--------------------------------|----------------|
| Trustees: | | | | |
| S Robinson | 42,058 | - | 2,523 | 44,581 |
| A Wood | 35,343 | - | 2,121 | 37,464 |
| J Walsh | 17,451 | 11,882 | 1,047 | 30,380 |
| N Forsythe | 31,134 | - | 1,868 | 33,002 |
| Other members of key management | 33,201 | - | 1,992 | 35,193 |
| | | | | <u>180,620</u> |

The above trustees served as church leaders and operational staff and received the above payments for serving in that capacity, not for serving as trustees; these payments are permitted by the charity's governing document.

Payroll costs included redundancy and termination payments totalling £nil (2024: £16,907) and comprise statutory payments and ex-gratia payments where this was considered appropriate. Redundancy and termination payments are charged when the liability or obligation arises.

8 Tangible fixed assets

| | Freehold Property £ | Freehold Improvements £ | Assets under construction £ | Fixtures, fittings and equipment £ | Total 2025 £ |
|--------------------------|------------------------|----------------------------|--------------------------------|---------------------------------------|--------------------|
| Cost | | | | | |
| At 1 August 2024 | 545,000 | 435,701 | 62,883 | 5,130 | 1,048,714 |
| Additions | - | 142,297 | - | 10,178 | 152,475 |
| At 31 July 2025 | <u>545,000</u> | <u>577,999</u> | <u>62,883</u> | <u>15,308</u> | <u>1,201,189</u> |
| Accumulated depreciation | | | | | |
| At 1 August 2024 | 83,600 | 169,046 | - | 3,591 | 256,237 |
| Charge for the year | 10,900 | 115,600 | - | 3,062 | 129,561 |
| At 31 July 2025 | <u>94,500</u> | <u>284,646</u> | <u>-</u> | <u>6,653</u> | <u>385,799</u> |
| Net book value | | | | | |
| At 31 July 2025 | <u>450,500</u> | <u>293,352</u> | <u>62,883</u> | <u>8,655</u> | <u>815,391</u> |
| At 31 July 2024 | <u>461,400</u> | <u>266,655</u> | <u>62,883</u> | <u>1,539</u> | <u>792,477</u> |

Assets under construction represents expenditure spent on the future development of Dovedale Road. Depreciation will not be charged on this asset until the renovation work is complete. At the year end, £33,766 of work had been contracted for but not yet carried out.

9 Debtors: falling due within one year

| | 2025 £ | 2024 £ |
|--------------------------------|---------------|---------------|
| Tax recoverable | 8,422 | 6,116 |
| Prepayments and accrued income | 11,232 | 15,712 |
| | <u>19,654</u> | <u>21,827</u> |

10 Cash at Bank and in Hand

| | 2025 £ | 2024 £ |
|------------------------------------|----------------|----------------|
| Cash at bank with immediate access | 367,211 | 175,771 |
| Petty cash | 10 | 10 |
| | <u>367,221</u> | <u>175,781</u> |

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2025

11 Creditors: liabilities falling due within one year

| | 2025 | 2024 |
|-----------------|--------|--------|
| | £ | £ |
| Trade creditors | 12,452 | - |
| Other creditors | 1,109 | 5,074 |
| Accruals | 7,401 | 16,321 |
| | 20,962 | 21,395 |

12 Pension commitments

During the year employer's pension contributions totalling £19,765 (2024: £18,391) were payable to defined contribution personal pension schemes. No pension contributions were owing at the balance sheet date.

13 Funds

During the year the movements in the charity's funds were as follows:

| | Opening balance 2025 £ | Incoming resources 2025 £ | Outgoing resources 2025 £ | Transfers in the year 2025 £ | Closing balance 2025 £ |
|--------------------------------------|---------------------------------|------------------------------------|------------------------------------|---------------------------------------|---------------------------------|
| <i>Designated Funds</i> | | | | | |
| Sabbatical Fund | 5,491 | - | (124) | 2,400 | 7,768 |
| Contingency Fund | 10,000 | - | - | - | 10,000 |
| Weekend away | 84 | - | - | (84) | - |
| Collective Youth Camp | - | 1,530 | (43) | - | 1,487 |
| Liverpool Building Maintenance Fund | 1,248 | - | (150) | (1,098) | - |
| | 16,824 | 1,530 | (317) | 1,218 | 19,254 |
| <i>General Unrestricted Funds</i> | 843,542 | 519,324 | (606,503) | 133,341 | 889,703 |
| | 860,366 | 520,854 | (606,820) | 134,558 | 908,958 |
| | 860,366 | 520,854 | (606,820) | 134,558 | 908,958 |
| <i>Restricted Funds</i> | | | | | |
| Staff Worker Funding | 38 | 9,380 | (5,899) | - | 3,519 |
| Dovedale Building fund | 4,349 | 206,776 | (5,611) | (148,077) | 57,436 |
| Church plant residency | 20,954 | 69,850 | (6,972) | 10,000 | 93,831 |
| Wirral Building Repair Fund | 10 | 9,350 | (13,902) | 7,800 | 3,258 |
| Hope Church Kensington | 33,924 | 54,020 | (22,655) | (4,365) | 60,924 |
| Hope Church Kensington - Food Pantry | 19,624 | 22,961 | (35,292) | - | 7,294 |
| Lark Lane Church plant | 15,597 | 5,455 | (2,521) | - | 18,531 |
| Cornerstone Wirral | 2,171 | 10,288 | (11,098) | - | 1,361 |
| Cornerstone Liverpool | 1,841 | 5,997 | (5,631) | 84 | 2,291 |
| Grimké Europe Project | 8,717 | 36,558 | (44,142) | - | 1,132 |
| Old Swan Church Plant | - | 23,282 | (993) | - | 22,288 |
| Collective Pastor's Network | - | 9,600 | (9,600) | - | - |
| Collective Festival | - | - | (620) | - | (620) |
| Room Hire Deposits | 1,100 | 1,000 | (1,000) | - | 1,100 |
| | 108,324 | 464,516 | (165,936) | (134,558) | 272,346 |
| | 108,324 | 464,516 | (165,936) | (134,558) | 272,346 |
| Aggregate of funds | 968,690 | 985,369 | (772,756) | - | 1,181,303 |

The transfers referred to above were made for the following reasons:

- a) From general funds to the designated Sabbatical Fund to set money aside for this purpose.
- b) From Dovedale Building Fund to General Fund to recognise capitalised expenditure on the Dovedale building.
- c) From General to the Wirral Building Repairs and Church Plant Residency restricted funds to contribute to expenditure in these areas.
- d) From Liverpool Building Maintenance designated fund to the Dovedale Building fund for work done on the Dovedale building project.
- e) From Hope Church Kensington to General funds to contributed to Hope Church Kensington costs paid from general funds.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025

13 Funds (cont.)

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

| | <u>Unrestricted Funds</u> | | | 2025 £ |
|---------------------------------------|---------------------------|--------------------------|--------------------------|------------------|
| | General funds £ | Designated funds £ | Restricted funds £ | |
| Tangible fixed assets | 815,391 | - | - | 815,391 |
| Debtors | 10,945 | - | 8,709 | 19,654 |
| Cash at bank and in hand | 69,725 | 19,378 | 278,117 | 367,221 |
| Creditors falling due within one year | (6,358) | (124) | (14,481) | (20,962) |
| | <u>889,703</u> | <u>19,254</u> | <u>272,346</u> | <u>1,181,303</u> |

In the previous year the movements in the charity's funds were as follows:

| | Opening balance 2024 £ | Incoming resources 2024 £ | Outgoing resources 2024 £ | Transfers in the year 2024 £ | Closing balance 2024 £ |
|--------------------------------------|---------------------------------|------------------------------------|------------------------------------|---------------------------------------|---------------------------------|
| <i>Designated Funds</i> | | | | | |
| Sabbatical Fund | 3,091 | - | - | 2,400 | 5,491 |
| Contingency Fund | 10,000 | - | - | - | 10,000 |
| Weekend away | 84 | 195 | (195) | - | 84 |
| Liverpool Building Maintenance Fund | - | - | (1,152) | 2,400 | 1,248 |
| | <u>13,176</u> | <u>195</u> | <u>(1,347)</u> | <u>4,800</u> | <u>16,824</u> |
| <i>General Unrestricted Funds</i> | <u>801,717</u> | <u>484,547</u> | <u>(525,739)</u> | <u>83,017</u> | <u>843,542</u> |
| Total Unrestricted Funds | <u>814,893</u> | <u>484,742</u> | <u>(527,086)</u> | <u>87,817</u> | <u>860,366</u> |
| <i>Restricted Funds</i> | | | | | |
| Staff Worker Funding | 1,250 | 3,125 | (4,350) | 13 | 38 |
| Dovedale Building fund | 45,052 | 58,282 | (6,472) | (92,513) | 4,349 |
| Church plant residency | 28,191 | 905 | (8,142) | (0) | 20,954 |
| Wirral Building Repair Fund | - | - | (2,990) | 3,000 | 10 |
| Hope Church Kensington | 46,534 | 34,340 | (38,646) | (8,304) | 33,924 |
| Hope Church Kensington - Food Pantry | 4,803 | 47,730 | (32,908) | - | 19,624 |
| Lark Lane Church plant | 9,238 | 7,377 | (1,018) | - | 15,597 |
| Cornerstone Wirral | 11,002 | 5,533 | (14,363) | - | 2,171 |
| Cornerstone Liverpool | - | 7,289 | (5,426) | (21) | 1,841 |
| Crosslands Fund | 12 | - | - | (13) | (0) |
| Acts 29 Fund | - | 27,254 | (27,254) | - | - |
| Room Hire Deposits | 1,200 | - | (100) | - | 1,100 |
| Little Pebbles Liverpool | 248 | 220 | (489) | 21 | 0 |
| Grimké Europe Project | - | 3,406 | (4,689) | 10,000 | 8,717 |
| | <u>147,530</u> | <u>195,461</u> | <u>(146,850)</u> | <u>(87,817)</u> | <u>108,324</u> |
| Aggregate of funds | <u>962,423</u> | <u>680,203</u> | <u>(673,936)</u> | <u>-</u> | <u>968,690</u> |

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025

13 Funds (cont.)

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

| | <u>Unrestricted Funds</u> | | | 2024 £ |
|---------------------------------------|---------------------------|--------------------------|--------------------------|----------------|
| | General funds £ | Designated funds £ | Restricted funds £ | |
| Tangible fixed assets | 792,477 | - | - | 792,477 |
| Debtors | 12,114 | - | 9,713 | 21,827 |
| Cash at bank and in hand | 52,627 | 16,824 | 106,330 | 175,781 |
| Creditors falling due within one year | (13,676) | - | (7,719) | (21,395) |
| | <u>843,542</u> | <u>16,824</u> | <u>108,324</u> | <u>968,690</u> |

Designated Funds

The Sabbatical Fund is an unrestricted fund designated by the Trustees to allow for future expenditure on a planned sabbatical for the church leaders.

The Contingency Fund is an unrestricted fund designated by the Trustees to allow for future unexpected expenditure.

The Weekend away fund relates to income & expenditure for the Bolder youth weekend away.

The Collective Youth Camp is a designated fund set up to handle the income and expenditure associated with running an annual youth camp for young people in the Cornerstone Collective churches.

Restricted Funds

The Staff Worker Fund is a restricted fund held to receive funds for salary and training payments.

The Dovedale Building Fund is a restricted fund created to receive and manage the funds raised for the future purchase and renovation of a building for church use. In 2021 Ramilies Road Hall Trust donated the proceeds from the sale of their building to the Church Plant Residency Fund is a restricted fund created to help finance individuals to train as part of Cornerstone Collective of Churches Church Plant Residency training programme.

The Wirral Building Repair Fund is a restricted fund created to receive and manage funds raised for repairs & maintenance of the church building used by Cornerstone Wirral.

The Hope Church Kensington Fund is made up of several restricted funds created to hold various donations for projects out of Hope Church.

The Liberti Church Outreach Fund is a restricted fund created to fund evangelistic/outreach work from Liberti Church.

The Cornerstone Wirral Fund is a restricted fund created to hold various donations to Cornerstone Wirral with specific restrictions.

The Cornerstone Liverpool Fund is a restricted fund for donations specifically to be used by Cornerstone Liverpool church.

The Grimké Europe Project is a restricted fund for a partnership with Grimké seminary in US to provide training.

The Old Swan Church Plant is a restricted fund set up to facilitate the income and expenditure restricted for use in planting a church in the Old Swan area of Liverpool - at the time of reporting, this is still in the planning stage.

The Collective Pastor's Network is a fund to hold finances restricted for use in establishing a pastor's network where relational support and training is provided to pastor's involved in the group.

The Collective Festival is a fund set up to manage income and expenditure related to running a Collective festival weekend every

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025

14 Transactions with related parties

During the year the charity:

- a) received donations totalling £74,435 (2024: £42,948) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- b) No expenses (2024: £nil) were paid to, or for, the trustees. Reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

During the year the charity also made the following payments to, or for, related parties:

- a) Ella Robinson, who is closely related to Steve Robinson, who is a trustee, received payments totalling £1,400 (2024: £nil) as a grant to support her internship at a church in the US.

Except as disclosed in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

15 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

16 Reconciliation with previously reported funds

During the year the charity identified a material error in the results reported previously relating to donations in kind. Stock purchased by the charity for the Hope Fridge had also been included as donations in kind using an estimated value based on weight. The comparatives presented in these accounts have been re-stated so that they reflect a correction of the error and a reconciliation with the reserves and results reported previously follows:

Reconciliation of reserves

| | 2024 |
|---|-----------------------|
| | £ |
| Previously reported reserves, at 31 December | 970,421 |
| Adjustments arising from correction of an error in the previous period: | |
| Donations in kind stock written off | (1,731) |
| | - |
| | - |
| Re-stated reserves, at 31 December | <u><u>968,690</u></u> |

Reconciliation of results

| | 2024 |
|---|---------------------|
| | £ |
| Previously reported results | 7,998 |
| Adjustments arising from the correction of an error in the previous period: | |
| reduction in income - donations in kind | (26,545) |
| reduction in expenditure - donations in kind expensed | 24,944 |
| write off stock | (130) |
| Re-stated results | <u><u>6,267</u></u> |

CORNERSTONE COLLECTIVE OF CHURCHES
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 JULY 2025

| | Note | <u>Unrestricted funds</u> | | | | <u>Unrestricted funds</u> | | | |
|--|------|---------------------------|---------------|------------------|------------------|---------------------------|----------------|-----------------|----------------|
| | | General | Designated | Restricted | Total | General | Designated | Restricted | Total |
| | | 2025 | 2025 | 2025 | 2025 | 2024 | 2024 | 2024 | 2024 |
| | | £ | £ | £ | £ | £ | £ | £ | |
| INCOME AND ENDOWMENTS FROM: | | | | | | | | | |
| Donations | 3 | 501,332 | 280 | 451,201 | 952,813 | 465,682 | - | 155,956 | 621,638 |
| Charitable activities | 4 | - | 1,250 | 12,315 | 13,565 | 0 | 195 | 39,505 | 39,700 |
| Other trading activities | 5 | 17,992 | - | 1,000 | 18,992 | 18,860 | - | - | 18,860 |
| Other income | | - | - | - | - | 5 | - | - | 5 |
| Total income and endowments | | 519,324 | 1,530 | 464,516 | 985,369 | 484,547 | 195 | 195,461 | 680,203 |
| EXPENDITURE ON: | | | | | | | | | |
| Charitable activities: | 6 | 606,503 | 317 | 165,936 | 772,756 | 525,739 | 1,347 | 146,850 | 673,936 |
| Total Expenditure | | 606,503 | 317 | 165,936 | 772,756 | 525,739 | 1,347 | 146,850 | 673,936 |
| Net gains/(losses) on investments | | - | - | - | - | - | - | - | - |
| Net income/(expenditure) | | (87,179) | 1,213 | 298,580 | 212,613 | (41,192) | (1,152) | 48,611 | 6,267 |
| Transfers between funds | 13 | 133,341 | 1,218 | (134,558) | - | 83,017 | 4,800 | (87,817) | - |
| Net movement in funds | | 46,161 | 2,431 | 164,021 | 212,613 | 41,825 | 3,648 | (39,206) | 6,267 |
| Reconciliation of funds: | | | | | | | | | |
| Total funds brought forward | | 843,542 | 16,824 | 108,324 | 968,690 | 801,717 | 13,176 | 147,530 | 962,423 |
| Total funds carried forward | 13 | 889,703 | 19,254 | 272,346 | 1,181,303 | 843,542 | 16,824 | 108,324 | 968,690 |

CORNERSTONE COLLECTIVE OF CHURCHES

England & Wales - Charity number 1152099

Accounts

Cornerstone Collective of Churches

Report and Accounts
Year ended 31 July 2024

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

CORNERSTONE COLLECTIVE OF CHURCHES

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JULY 2024

| | |
|------------------------------------|--|
| Trustees | A Craig N Forsythe D Heybourn (resigned December 2023) L Horne M Newberry S Robinson A Taylor J Walsh (resigned December 2023) A Wood |
| Key Staff | G Osborn C Simons P Elms |
| Governing Document | Memorandum and Articles dated 6 July 2012 as amended by Certificate of Incorporation on change of name dated 10 September 2018, as amended on 23 January 2023. |
| Company Registration Number | 08133846 |
| Charity Registration Number | 1152099 |
| Registered Office | Cornerstone Church Dovedale Road Liverpool Merseyside L18 1DW |
| Independent Examiner | Sarah Crispin ACA Stewardship 1 Lamb's Passage London EC1Y 8AB |
| Bankers | HSBC Bank plc Nat West Bank Plc |

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**CORNERSTONE COLLECTIVE OF CHURCHES
(FORMERLY CORNERSTONE CHURCH, LIVERPOOL)
TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 JULY 2024

The trustees, who are the charity's directors for the purposes of company law, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity:

The charity is a charitable company and is governed by its memorandum and articles of association. The objects of the charity, as set out in the governing document are:

1. To advance the Christian faith through the public preaching of the gospel
2. To demonstrate the Christian faith through the training of men and women for Church leadership, parent/carer and baby/toddler groups, teaching and training of children and young people, involvement in community activities; including the planting of local gospel communities and planting churches.
3. In accordance with the Statement of Beliefs in the areas of Liverpool, Merseyside and in such parts of the United Kingdom and the wider world as the trustees may from time to time see fit.

Government:

Responsibility for setting policy and for making operating decisions rests with the trustees who meet regularly to monitor the activities of the charity. New trustees are recruited and appointed by the existing trustees, by a majority vote.

Review of Activities:

In planning the activities, the Trustees have considered the guidance on public benefit issued by the Charity Commission.

In the last 12 months we have seen membership across the majority of our churches continue to increase overall, however, a period of leadership upheaval in Cornerstone Church Wirral has resulted in a small decrease in membership at that church, leading to the number of adult members decreasing across Cornerstone Collective as a total from 230 to 222. The partnership we formed with Orrell Park Baptist Church in 2022, where we sent a small team of members to support a revitalisation of the church in North Liverpool, has strengthened over the same period and although they are not run by Cornerstone Collective at this time, we are delighted to witness a growth in their membership. This is a wonderful outworking of our charitable objectives continuing via our partnership with Orrell Park Baptist Church.

We have continued to prioritise the work the churches have been doing with children and young people in our church communities throughout this financial year. Across the churches there are regularly around 100 children aged 11 and under who participate in 'Kids' Church' (time spent teaching children about God and the Bible, as well as building relationships with each other) on Sunday mornings, alongside the main church services. Older children and young people have a weekly group available to them at Cornerstone Liverpool (for young people across all Cornerstone Collective Liverpool based churches), Cornerstone Wirral and more recently established at Liberti Church, where they gather socially and to study the Bible, with extra social events on occasion as well. Attendance at these groups averages around 40-50 young people each week. Cornerstone Wirral additionally ran a 'weekend away' for their youth and it was hugely encouraging to have the young people from that church enjoy the activities and study the Bible – helping develop their own understanding of God and the Bible. In addition to these Bible-based settings we also run parent/carer and baby/pre-school sessions on a weekly basis which are designed to welcome people into the Liverpool, Wirral and Hope churches for a time of support for the adults, and stimulation and learning through play for the children. An average of around 150 people have been attending these various groups weekly this past year, which has been a real blessing to all involved, including the attendees – this also contributes to the fulfilment of our 2nd charitable objective.

The Cornerstone Collective Training and Coaching area of our work continued to be worked on this past year, with a number of churches/leaders connecting with us for support and training, helping us fulfil the charitable

objectives further. We have run multiple 'mini conferences' for leaders of Merseyside churches where Pastors can share and pray together and whole church leadership teams can gather for lunch and teaching afterwards. These have been received very positively by the church leaders who have attended. A significant source of ongoing partnership with churches not run by Cornerstone Collective has been seen through our work with Orrell Park Baptist Church, and also with another church in Southport who has been in receipt of support and advice on their future actions to revitalise their church. During the 2023-2024 financial year we continued to work on our partnership with Acts 29 GB functioning to support and catalyse church planting across the UK as well, as per objective 2.

Remedial work has continued on the building used by Cornerstone Church Liverpool, but at a continued slower pace due to the complexity of the work required, especially when working to integrate the restrictions that are placed on a Grade II listed building. The main project has been the restoration of two large stained glass windows, and at the close of the financial year this work was well underway with an anticipated completion date in Autumn 2024. Further fundraising for the building is now required to address water ingress issues in the back hall section of the building (previously almost untouched by our work) as dry rot has set in in one area. This clearly requires immediate attention and a rapid plan for stopping the spread and having the funds in place to do so and this is being worked on as the new financial year begins. Cornerstone Church Wirral has benefitted from its previous investment in upgrading their building, but some structural concerns have been identified in the rear building of the church, so this work is a focus moving into the new financial year as well, with a fundraising strategy for this church building also required.

Another point of note for Cornerstone Church Wirral is to acknowledge the leadership changes that have taken place at the church during 2023-2024, as this was unexpected for the church and the charity. The church members and congregation has felt the impact of the resignation of the Lead Pastor in (effective January 2024), and a small number of individuals/families left the church as a result. As the financial year ends however, we are greatly encouraged by the way others in leadership in the church, supported by the wider leadership of the other Cornerstone Collective churches, have managed this period of change, and it is wonderful to report new growth in the number of people coming to Cornerstone Church Wirral at the close of the financial year – we are grateful to God for his provision and protection during this period.

On a hugely positive note, our churches and organisation ended the financial year on 31st July 2024 with a financial surplus in our 'General' fund (our operational finance stream, separate from restricted and designated funds) which is fantastic, and as a Christian organisation we thank God for this. This position enables us to reinvest in the charity and plan for the future in a healthy, stable financial position.

Charity law requires us as Trustees in the role of the Directors of the Charity to prepare financial statements for the accounting year 2023-2024 which gives a true and fair view of the state of the Charity, specifically in terms of its income and expenditure for the year. This includes us:

1. Selecting suitable accounting policies and applying them consistently
2. Making judgements and estimates that are reasonable and prudent
3. Stating whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
4. Preparing the financial statements on a 'going concern' basis unless it is inappropriate to presume that the charity will continue in business
5. Being aware that we are responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and which enable us to ensure that the financial statements comply with the Companies Act 2006.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud.

Financial Review

The Cornerstone Collective of Churches has spent the year securing running four churches and partnering with Orrell Park Baptist church as well, and we are pleased to report that the financial profile has remained stable,

thanks to the generous donations of people who attend the churches and the associated gift aid claimed on eligible donations, both of which are utilised to fund the general operational costs associated with the charity and churches (e.g. salaries of staff and church running costs), allowing the functioning of the Collective and its churches to continue to move forward in their work. The leadership change at Cornerstone Church Wirral has led to unexpected expenditure, but we have managed to complete the year without entering financial deficit as a result of this.

The work on Cornerstone Church Liverpool's building has continued to focus on the restoration of the 'at high risk' stained glass windows this year, and the grants secured for the work have been retained in spite of significant delays in the work resulting from complications in the design, manufacture and installation of the stonework in this project. The kitchen at the church was another focus of financial investment this year, and with a large grant and some additional smaller donations, the kitchen has been transformed from being almost unusable into a facility to serve the church and its community. Both of these aspects are greatly encouraging, but the financial year end for the building work is now in deficit – fundraising for the building is a high priority for the church.

A further area in which the organisation has been financially blessed has been the support received for Hope Church's Food Pantry 'Hope Fridge'. It launched the food pantry in January 2023, opening for 2 hours each Thursday and supplying around £25 of food for a £3.50 donation from clients. It has been a massive blessing to the local community and it was blessed with £47,730 (between 1 August 2023 and 31 July 2024) in grants and donations to keep it running each week.

Linked to Hope Church is another ongoing financial blessing, this time in the form of the funding received from The Message Trust for the Eden Team Lead role linked with the church. This role is part funded by The Message Trust over the course of a three-year arrangement with them, with the funding reducing each year as the individual employed seeks other avenues of funding for the role over time. In 2023-2024, £14,225 was received from The Message Trust for this role, with £3,902.51 in additional donations from other sources, alongside the remainder of a grant received in the previous financial year from the FIEC. This funding is incredibly helpful in securing the financial stability of the role and allows the work in the local community to continue. As we move into the 2024-2025 financial year, the funding from The Message Trust ends (August 2024) so the longevity and financial security of this role is being planned for in light of this shift.

The final significant source of income worthy of note from 2023-2024 for the charity is from Acts 29 GB, as the formalised secondment of three members of staff from Cornerstone Collective to Acts 29 GB started in September 2022. This has been for the Director of the Collective for 2 days per week, the Operations Director for 1 day per week, and the Lead Pastor of Cornerstone Wirral 1 day per week, but with the Lead Pastor of Cornerstone Wirral stepping down from that role in September 2023, and then the Director and Operations Director also ending their roles in summer 2024 as Acts 29 decided to move their GB operations to their Europe office, the arrangement ended at the close of the financial year. During 2023-2024 however, the income received for these roles was a substantial £27,254, which has consequently enabled the finances of Cornerstone Collective to be used for more purposes across the Collective and its churches, as less direct income has been utilised for payroll.

As we move into the 2024-2025 financial year there is an additional financial consideration for us to plan for. Cornerstone Collective has decided to partner with Grimké Seminary in the USA on a project to set up a Bible seminary for church leaders and planters in Europe – Grimké Europe. To support the work taking place in this partnership project, Grimké Seminary is providing additional salary contributions in 2024-2025 for two of the Cornerstone Collective employees who are fulfilling roles in the project. The partnership is a really exciting opportunity for Cornerstone Collective, churches in the regions and wider Europe as the training it provides will be invaluable for us achieving objective 2 further.

Overall, the finances of the general functioning of the organisation have been managed well. The (general operating) expenditure of 2023-2024 was £525,739 with the income being £484,547, ending the financial year with a general operational deficit of £41,193. Looking at the broader income and expenditure of the charity, and including all restricted funds received and spent the charity has made a small surplus. Budgets have been

produced for the 2024-2025 financial year to ensure that all donations we receive are used in accordance with Charity Law and to aid the charity to meet its charitable objectives.

Moving into 2024-2025, we are financially stable but are also acutely aware of the broader economic context of the UK, in which we function. Recent historic rising inflation and interest rates may well impact the level of donations received by Cornerstone Collective of Churches, and the ongoing high price of gas and electricity is hitting the running costs of the churches harder as fixed-term contracts for buildings owned by Cornerstone Collective have ended and higher costs are brought about as a result. Therefore, we must operate our planned budget with clear prudence to ensure that we can continue to function if our income decreases, or if our expenditure increases beyond what we have anticipated. As the organisation has increased its employed numbers over the past few years, we are also looking to increase the funds we hold in our contingency fund to provide longer term financial security for our operational costs.

The trustees remain determined that none of the financial undertakings distract us from the charitable aims and objectives of the charity – to spread the Gospel of Jesus Christ and the Salvation he offers across Merseyside, and we remain truly thankful to God for his financial provision and protection of His churches. The unrestricted surplus the charity was left with at the end of 2023-2024 will be reinvested in the charity to ensure that meeting the charitable aims and objectives continue to be our focus. We have committed to continuing in these endeavours and financially we will work hard to allow this to continue with growth of the existing churches, as well as planning to plant and revitalise new ones as opportunities to do so arise.

Reserves Policy

The charity recognises its responsibility to pursue a healthy financial position to help safeguard the aims of the charity and its staff. Finances are reviewed monthly, and the Cornerstone Collective of Churches budget considers how we can protect, and potentially grow, our reserve to ensure our long-term financial health and sustainability.

Due to the nature of the charity and its aims, it is not unexpected that from time to time the Cornerstone Collective of Churches might function with an operational deficit. However, at any given time, and whenever possible, it will endeavour to hold three months of salary payments (equivalent to approximately £82,000 as of 31 July 2024 when including employer pension and NI contributions) in the bank as a financial reserve as a means to comply with the Code of Governance for Charities and IPC's (Guideline 6.3.1). This is incorporated into our contingency and general fund, which is identified clearly and reviewed regularly. Restricted funds are not considered, except to the extent that they are available to fund salary costs.

The level of unrestricted general cash reserves as of 31st July 2024 was around £53,000. After analysing existing funds, cash flow (with income from regular givers remaining broadly stable) and forecasting expenditure based on planned activities, Cornerstone Collective of Churches considered this to be an appropriate reserve at the end of the financial year. Although lower than the amount needed for three months of salary payments, some of the restricted funds (e.g. Hope Church Fund) can be utilised for salaries of individuals to offset the total unrestricted amount needed. This amount and approach is reviewed on an annual basis, as well as being adjusted when new staff are first employed to ensure that there is capacity to increase the cash reserves over time should this be required in order for the charity to comply with Guideline 6.3.1 mentioned earlier. As previously mentioned, the Trust Board have decided to aim to increase the level of funds held in the contingency fund over the course of the new financial year to ensure we remain financially prudent.

When it is not possible to maintain our financial reserve to the agreed levels, Cornerstone Collective of Churches is committed to taking sensible steps with the Elders and staff to ensure that the Collective of Churches continues with its charitable aims, whilst also demonstrating the appropriate financial restraint. In these instances, the regular income and regular expenditure is a key consideration, and the reserve would be used in the following ways:

1. Fulfilling current obligations (bills and fixed operational costs)
2. Payment of Staff Salaries

Due to the nature of the Cornerstone Collective of Churches' activities it is possible to reduce other monthly expenditure quickly, but it must be noted that this would influence the ability of the churches to fulfil their vision and charitable aims.


The Cornerstone Collective of Churches is also committed to increasing its regular income on a consistent basis, particularly as the Collective of Churches grows (numerically in individual churches as well as in the total number of churches in or partnered with the Collective), but it also reserves its right as a 'faith-based charity' to trust God for such financial provision. The demographic of the Cornerstone Collective of Churches membership and our various partnerships should also add another layer of confidence if the financial reserve was breached.

Risk Statement

The Directors have reviewed the risks to which a small charity operating with few employees is exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was **approved by the trustees on (date):** Feb 5, 2025
and signed on their behalf by:


M.newberry (Feb 5, 2025 16:19 GMT)

Matthew Newberry, Chair of Trustees

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
CORNERSTONE COLLECTIVE OF CHURCHES
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2024 on pages 8 to 20 following, which have been prepared on the basis of the accounting policies set out on pages 11 and 12.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.


Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.


Sarah Crispin (Feb 6, 2025 12:03 GMT)

Sarah Crispin ACA
Institute of Chartered Accountants in England and Wales

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: Feb 6, 2025

CORNERSTONE COLLECTIVE OF CHURCHES
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2024

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2024 £ | Total Funds 2023 £ |
|------------------------------------|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Donations | 3 | 465,682 | 182,502 | 648,184 | 580,662 |
| Charitable activities | 4 | 195 | 39,505 | 39,700 | 35,907 |
| Other trading activities | 5 | 18,860 | - | 18,860 | 21,564 |
| Other income | | 5 | - | 5 | 1,644 |
| Total income and endowments | | <u>484,742</u> | <u>222,006</u> | <u>706,749</u> | <u>639,777</u> |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 6 | 527,086 | 171,665 | 698,751 | 624,638 |
| Total expenditure | | <u>527,086</u> | <u>171,665</u> | <u>698,751</u> | <u>624,638</u> |
| Net income/(expenditure) | | (42,344) | 50,342 | 7,998 | 15,140 |
| Transfers between funds | 14 | 87,817 | (87,817) | - | - |
| Net movement in funds | | <u>45,473</u> | <u>(37,475)</u> | <u>7,998</u> | <u>15,140</u> |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 814,893 | 147,530 | 962,423 | 947,283 |
| Total funds carried forward | 14 | <u>860,366</u> | <u>110,055</u> | <u>970,421</u> | <u>962,423</u> |

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

All income and expenditure derive from continuing operations.

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

The notes on pages 11-19 form part of these accounts.

CORNERSTONE COLLECTIVE OF CHURCHES

BALANCE SHEET

AS AT 31 JULY 2024

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2024 £ | Total Funds 2023 £ |
|---|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | 792,477 | - | 792,477 | 763,255 |
| | | <u>792,477</u> | <u>-</u> | <u>792,477</u> | <u>763,255</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 12,114 | 9,713 | 21,827 | 9,985 |
| Cash at bank and in hand | 11 | 69,451 | 106,330 | 175,781 | 196,037 |
| | | 81,565 | 117,774 | 199,338 | 206,153 |
| CREDITORS: Amounts falling due within one year | 12 | (13,676) | (7,719) | (21,395) | (6,984) |
| Net current assets / (liabilities) | | <u>67,889</u> | <u>110,055</u> | <u>177,944</u> | <u>199,168</u> |
| Total assets less current liabilities | | <u>860,366</u> | <u>110,055</u> | <u>970,421</u> | <u>962,423</u> |
| TOTAL NET ASSETS | | <u>860,366</u> | <u>110,055</u> | <u>970,421</u> | <u>962,423</u> |
| FUND BALANCES | | | | | |
| Unrestricted Funds | 14 | | | | |
| General funds | | 843,542 | - | 843,542 | 801,717 |
| Designated funds | | 16,824 | - | 16,824 | 13,176 |
| | | <u>860,366</u> | <u>-</u> | <u>860,366</u> | <u>814,893</u> |
| Restricted Funds | | - | 110,055 | 110,055 | 147,530 |
| | | <u>860,366</u> | <u>110,055</u> | <u>970,421</u> | <u>962,423</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2024

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2024 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities (a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors and were signed on its behalf by:

M. Newberry
M. Newberry (Feb 5, 2025 10:49 GMT)

 Matthew Newberry

Date: Feb 5, 2025

Company number: 08133846

Charity number: 1152099

The notes on pages 11-19 form part of these accounts.

CORNERSTONE COLLECTIVE OF CHURCHES
FOR THE YEAR ENDED 31 JULY 2024
CASH FLOW STATEMENT

| | Note | 2024 £ | 2023 £ |
|---|------|------------------|-----------------|
| Cash flows from operating activities: | | | |
| Net cash provided by/(used in) operating activities | a | <u>107,076</u> | <u>98,011</u> |
| Cash flows from investing activities: | | | |
| Purchase of property, plant and equipment | | (127,332) | (81,606) |
| Net cash provided by/(used in) investing activities | | <u>(127,332)</u> | <u>(81,606)</u> |
| Change in cash and equivalents in the reporting period | | (20,256) | 16,405 |
| Cash and equivalents at the beginning of the year | b | 196,037 | 179,632 |
| Cash and cash equivalents at the end of the year | b | <u>175,781</u> | <u>196,037</u> |

Note a: Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | 2024 £ | 2023 £ |
|---|----------------|---------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | 7,998 | 15,140 |
| Adjustments for: | | |
| Depreciation charges and provisions for impairment | 98,110 | 73,600 |
| (Increase)/decrease in stocks | (1,600) | (130) |
| (Increase)/decrease in debtors | (11,842) | 10,098 |
| Increase/(decrease) in creditors | 14,411 | (696) |
| Net cash provided by (used in) operating activities | <u>107,076</u> | <u>98,011</u> |

Note b: Analysis of cash and cash equivalents

| | 2024 £ | 2023 £ |
|--|----------------|----------------|
| Cash at bank with immediate access | 175,771 | 196,037 |
| Petty cash | 10 | - |
| Total cash and cash equivalents | <u>175,781</u> | <u>196,037</u> |

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2024

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity. When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. Donated fixed assets are capitalised.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats including youth events and income received for seconded staff.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from hire of church rooms.

Other income includes gains arising from the disposal of tangible fixed assets.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The Charities SORP requires charities with income over £500,000 to allocate costs to the various activities undertaken by the charity. The nature of the work of the charity is considered to be so integrated that the core charitable activity costs are considered to be for the one activity.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2024

2 Accounting Policies (cont.)

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

| | |
|-----------------------|---|
| Freehold land | Is not depreciated (because it is not consumed by use) |
| Freehold buildings | Over 50 years after taking account of the building's residual value |
| Freehold improvements | Over 5 years |
| Equipment & Fixtures | Over 5 years |

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

3 Donations

| | 2024 | 2023 |
|-------------------------------|----------------|----------------|
| | £ | £ |
| Donations of cash and similar | 441,067 | 389,475 |
| Donations in kind (note 3a) | 61,364 | 10,966 |
| Government grants | 21,805 | 14,992 |
| Other grants receivable | 47,810 | 83,807 |
| Income tax recoverable | 76,136 | 81,422 |
| | <u>648,184</u> | <u>580,662</u> |

a Donations in kind comprise:

| | 2024 | 2023 |
|---------------------------------|---------------|---------------|
| | £ | £ |
| Goods donated for: | | |
| For distribution by Food Pantry | <u>26,545</u> | <u>10,966</u> |
| | 26,545 | 10,966 |
| Donated fixed assets | <u>34,819</u> | - |
| | <u>61,364</u> | <u>10,966</u> |

Goods donated for distribution by the Food Pantry in the current financial year comprise food items and are valued using the Trussell Trust valuation of £2.37/kg.

Donated fixed assets represents freehold improvement costs where the contractor was paid directly by the grant maker.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2024

4 Income from charitable activities

| | 2024 | 2023 |
|--|--------|--------|
| | £ | £ |
| Church retreats, events and activities | 9,039 | 1,366 |
| Contribution for seconded staff costs | 30,660 | 34,541 |
| | 39,700 | 35,907 |

5 Income from other trading activities

| | 2024 | 2023 |
|-----------|--------|--------|
| | £ | £ |
| Room hire | 18,860 | 21,564 |
| | 18,860 | 21,564 |

6 Charitable expenditure

| | 2024 | 2023 |
|---|---------|---------|
| | £ | £ |
| a Costs incurred directly on specific activities | | |
| Pastoral & Ministry expenses | 25,316 | 16,583 |
| Staff funding | 364,810 | 365,922 |
| Training and conferences | 17,854 | 17,094 |
| Travel | 22,145 | 18,828 |
| Property | 27,881 | 40,371 |
| Room hire | 6,159 | 6,643 |
| IT and equipment | 3,470 | 3,219 |
| Other direct costs | 7,802 | 2,282 |
| Depreciation | 98,110 | 73,600 |
| Outreach | 2,305 | 1,818 |
| Project costs (excluding staffing): | | |
| Food Pantry (including donated goods expensed) | 57,724 | 28,038 |
| Grimké Europe Project | 4,689 | - |
| Acts 29 | - | 3,388 |
| Dovedale building project | - | 103 |
| Church Planting | 5,585 | - |
| Eden project | 1,415 | 4,371 |
| Crosslands | - | 4,439 |
| | 645,264 | 586,700 |
| Grants payable (note 6c) | 22,937 | 16,143 |
| | 668,202 | 602,842 |
| b Costs incurred on support & administration | | |
| Governance costs | | |
| Independent examiner's fee | 4,440 | 3,690 |
| Office costs | 17,050 | 9,598 |
| Insurance | 7,281 | 6,508 |
| Legal and Professional Fees | 1,778 | 1,999 |
| | 30,550 | 21,795 |
| Total expenditure | 698,751 | 624,638 |

The fee payable to the independent examiner for preparing and examining the accounts was £4,200 (2023: £3,690); in addition the charity paid £1,500 (2023: £1,247) to Stewardship for payroll bureau and consultancy services.

c Grants payable

| | Institutions | Individuals | 2024 |
|--|--------------|-------------|--------|
| | £ | £ | £ |
| Grants for UK and overseas mission | 15,408 | 1,057 | 16,465 |
| Grants for environmental & community support | 6,472 | - | 6,472 |
| | 21,880 | 1,057 | 22,937 |

The comparatives for the previous year are as follows:

| | Institutions | Individuals | 2023 |
|------------------------------------|--------------|-------------|--------|
| | £ | £ | £ |
| Grants for UK and overseas mission | 11,738 | 3,278 | 15,016 |
| Grants for the relief of poverty | 1,127 | - | 1,127 |
| | 12,865 | 3,278 | 16,143 |

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2024

6 Charitable expenditure (cont.)

The charity's principal grants to institutions comprised:

| | 2024 | 2023 |
|---|---------------|---------------|
| | £ | £ |
| Fellowship of Independent Evangelical Churches (FIEC) | 2,400 | 2,400 |
| Acts 29 | 7,128 | 5,658 |
| The Message Trust | 1,200 | 1,450 |
| OMF | 1,900 | - |
| The Church in Sweden | 1,200 | - |
| The Church Office | 1,500 | - |
| Valencia Communities Fund | 6,472 | - |
| UCCF | - | 1,000 |
| Community Voice | - | 1,127 |
| Grants to institutions for less than £1,000 each | 80 | 1,230 |
| | <u>21,880</u> | <u>12,865</u> |

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration

| | 2024 | 2023 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Gross wages and salaries | 306,194 | 293,547 |
| Social security | 22,819 | 23,137 |
| Pension costs | 18,391 | 17,613 |
| Other employment benefits | 692 | 502 |
| | <u>348,096</u> | <u>334,799</u> |

The average monthly number of employees during the year was 11.5 (2023: 12). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

| | Wages & salaries | Ex-gratia payments | Employer pension contributions | 2024 |
|---------------------------------|------------------|--------------------|--------------------------------|----------------|
| | | | | £ |
| Trustees: | | | | |
| S Robinson | 42,058 | - | 2,523 | 44,581 |
| A Wood | 35,343 | - | 2,121 | 37,464 |
| J Walsh | 17,451 | 11,882 | 1,047 | 30,380 |
| N Forsythe | 31,134 | - | 1,868 | 33,002 |
| Other members of key management | 33,201 | - | 1,992 | 35,193 |
| | | | | <u>180,620</u> |

The following amounts were payable in the previous year:

| | Wages & salaries | Other employment benefits | Employer pension contributions | 2023 |
|---------------------------------|------------------|---------------------------|--------------------------------|----------------|
| | | | | £ |
| Trustees: | | | | |
| S Robinson | 39,270 | - | 2,356 | 41,626 |
| A Wood | 31,750 | - | 1,905 | 33,655 |
| J Walsh | 33,660 | - | 2,020 | 35,680 |
| N Forsythe | 28,343 | - | 1,701 | 30,044 |
| Other members of key management | 32,550 | - | 1,953 | 34,503 |
| | | | | <u>175,508</u> |

The above trustees served as church leaders and operational staff and received the above payments for serving in that capacity, not for serving as trustees; these payments are permitted by the charity's governing document.

Payroll costs included redundancy and termination payments totalling £16,907 (2023: £nil) and comprise statutory payments and ex-gratia payments where this was considered appropriate. Redundancy and termination payments are charged when the liability or obligation arises.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2024

8 Tangible fixed assets

| | Freehold Property £ | Freehold Improvements £ | Assets under construction £ | Fixtures, fittings and equipment £ | Total 2024 £ |
|---------------------------------|---------------------------|-------------------------------|--------------------------------------|---|--------------------|
| Cost | | | | | |
| At 1 August 2023 | 545,000 | 308,369 | 62,883 | 5,130 | 921,382 |
| Additions | - | 127,332 | - | - | 127,332 |
| At 31 July 2024 | <u>545,000</u> | <u>435,701</u> | <u>62,883</u> | <u>5,130</u> | <u>1,048,714</u> |
| Accumulated depreciation | | | | | |
| At 1 August 2023 | 72,700 | 82,863 | - | 2,565 | 158,128 |
| Charge for the year | 10,900 | 86,184 | - | 1,026 | 98,110 |
| At 31 July 2024 | <u>83,600</u> | <u>169,046</u> | <u>-</u> | <u>3,591</u> | <u>256,237</u> |
| Net book value | | | | | |
| At 31 July 2024 | <u>461,400</u> | <u>266,655</u> | <u>62,883</u> | <u>1,539</u> | <u>792,477</u> |
| At 31 July 2023 | <u>472,300</u> | <u>225,507</u> | <u>62,883</u> | <u>2,565</u> | <u>763,255</u> |

Assets under construction represents expenditure spent on the future development of Dovedale Road. Depreciation will not be charged on this asset until the renovation work is complete.

9 Stock

| | 2024 £ | 2023 £ |
|-----------------------------------|--------------|------------|
| Donated goods | | |
| For distribution to beneficiaries | <u>1,730</u> | <u>130</u> |
| | <u>1,730</u> | <u>130</u> |

10 Debtors: falling due within one year

| | 2024 £ | 2023 £ |
|--------------------------------|---------------|--------------|
| Tax recoverable | 6,116 | 5,661 |
| Prepayments and accrued income | <u>15,712</u> | <u>4,324</u> |
| | <u>21,827</u> | <u>9,985</u> |

11 Cash at Bank and in Hand

| | 2024 £ | 2023 £ |
|------------------------------------|----------------|----------------|
| Cash at bank with immediate access | 175,771 | 196,037 |
| Petty cash | 10 | - |
| | <u>175,781</u> | <u>196,037</u> |

12 Creditors: liabilities falling due within one year

| | 2024 £ | 2023 £ |
|-----------------|---------------|--------------|
| Other creditors | 5,074 | - |
| Accruals | <u>16,321</u> | <u>6,984</u> |
| | <u>21,395</u> | <u>6,984</u> |

13 Pension commitments

During the year employer's pension contributions totalling £18,391 (2023: £18,819) were payable to defined contribution personal pension schemes. No pension contributions were owing at the balance sheet date.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2024

14 Funds

During the year the movements in the charity's funds were as follows:

| | Opening balance 2024 £ | Incoming resources 2024 £ | Outgoing resources 2024 £ | Transfers in the year 2024 £ | Closing balance 2024 £ |
|--------------------------------------|---------------------------------|------------------------------------|------------------------------------|---------------------------------------|---------------------------------|
| <i>Designated Funds</i> | | | | | |
| Sabbatical Fund | 3,091 | - | - | 2,400 | 5,491 |
| Contingency Fund | 10,000 | - | - | - | 10,000 |
| Weekend away | 84 | 195 | (195) | - | 84 |
| Liverpool Building Maintenance Fund | - | - | (1,152) | 2,400 | 1,248 |
| | <u>13,176</u> | <u>195</u> | <u>(1,347)</u> | <u>4,800</u> | <u>16,824</u> |
| <i>General Unrestricted Funds</i> | <u>801,717</u> | <u>484,547</u> | <u>(525,739)</u> | <u>83,017</u> | <u>843,542</u> |
| Total Unrestricted Funds | <u><u>814,893</u></u> | <u><u>484,742</u></u> | <u><u>(527,086)</u></u> | <u><u>87,817</u></u> | <u><u>860,366</u></u> |
| <i>Restricted Funds</i> | | | | | |
| Staff Worker Funding | 1,250 | 3,125 | (4,350) | 13 | 38 |
| Dovedale Building fund | 45,052 | 58,282 | (6,472) | (92,513) | 4,349 |
| Church plant residency | 28,191 | 905 | (8,142) | (0) | 20,954 |
| Wirral Building Repair Fund | - | - | (2,990) | 3,000 | 10 |
| Hope Church Kensington | 46,534 | 34,340 | (38,646) | (8,304) | 33,924 |
| Hope Church Kensington - Food Pantry | 4,803 | 74,275 | (57,724) | - | 21,355 |
| Lark Lane Church plant | 9,238 | 7,377 | (1,018) | - | 15,597 |
| Comerstone Wirral | 11,002 | 5,533 | (14,363) | - | 2,171 |
| Comerstone Liverpool | - | 7,289 | (5,426) | (21) | 1,841 |
| Crosslands Fund | 12 | - | - | (13) | (0) |
| Acts 29 Fund | - | 27,254 | (27,254) | - | - |
| Room hire Deposits | 1,200 | - | (100) | - | 1,100 |
| Little Pebbles Liverpool | 248 | 220 | (489) | 21 | 0 |
| Grimké Europe Project | - | 3,406 | (4,689) | 10,000 | 8,717 |
| | <u>147,530</u> | <u>222,006</u> | <u>(171,665)</u> | <u>(87,817)</u> | <u>110,055</u> |
| Aggregate of funds | <u><u>962,423</u></u> | <u><u>706,749</u></u> | <u><u>(698,751)</u></u> | <u><u>-</u></u> | <u><u>970,421</u></u> |

The transfers referred to above were made for the following reasons:

- a) From general funds to the designated Sabbatical Fund & the Liverpool Building Maintenance fund to set money aside for these purposes.
- b) From Dovedale Building Fund to General Fund to recognise capitalised expenditure on the Dovedale building.
- c) From General to the Wirral Building Repairs and Grimké Europe Project restricted funds to contribute to expenditure in these areas.
- d) From Hope Church Kensington to General to correct an error in prior year accounts.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2024

14 Funds (cont.)

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

| | <u>Unrestricted Funds</u> | | | 2024 £ |
|---------------------------------------|---------------------------|--------------------------|--------------------------|----------------|
| | General funds £ | Designated funds £ | Restricted funds £ | |
| Tangible fixed assets | 792,477 | - | - | 792,477 |
| Stock | - | - | 1,730 | 1,730 |
| Debtors | 12,114 | - | 9,713 | 21,827 |
| Cash at bank and in hand | 52,627 | 16,824 | 106,330 | 175,781 |
| Creditors falling due within one year | (13,676) | - | (7,719) | (21,395) |
| | <u>843,542</u> | <u>16,824</u> | <u>110,055</u> | <u>970,421</u> |

In the previous year the movements in the charity's funds were as follows:

| | Opening balance 2023 £ | Incoming resources 2023 £ | Outgoing resources 2023 £ | Transfers in the year 2023 £ | Closing balance 2023 £ |
|--------------------------------------|---------------------------------|------------------------------------|------------------------------------|---------------------------------------|---------------------------------|
| <i>Designated Funds</i> | | | | | |
| Sabbatical Fund | 3,520 | - | (2,828) | 2,400 | 3,091 |
| Contingency Fund | 10,000 | - | - | - | 10,000 |
| Weekend away | 390 | 1,366 | (1,672) | - | 84 |
| | <u>13,910</u> | <u>1,366</u> | <u>(4,500)</u> | <u>2,400</u> | <u>13,176</u> |
| <i>General Unrestricted Funds</i> | 785,361 | 426,698 | (462,123) | 51,781 | 801,717 |
| Total Unrestricted Funds | <u>799,271</u> | <u>428,064</u> | <u>(466,623)</u> | <u>54,181</u> | <u>814,893</u> |
| <i>Restricted Funds</i> | | | | | |
| Staff Worker Funding | 16,250 | - | (15,000) | - | 1,250 |
| Dovedale Building fund | 61,734 | 65,028 | (103) | (81,606) | 45,052 |
| Church plant residency | 23,612 | 1,706 | (6,294) | 9,167 | 28,191 |
| Wirral Building Repair Fund | 10,761 | 12,486 | (26,808) | 3,561 | - |
| Hope Church Kensington | 28,978 | 44,796 | (35,544) | 8,304 | 46,534 |
| Hope Church Kensington - Food Pantry | - | 32,841 | (28,038) | - | 4,803 |
| Lark Lane Church plant | - | 10,800 | (1,562) | - | 9,238 |
| Cornerstone Wirral | - | 7,139 | (2,530) | 6,393 | 11,002 |
| Cornerstone Liverpool | - | 1,140 | (1,140) | - | - |
| Crosslands Fund | 4,452 | - | (4,439) | - | 12 |
| Acts 29 Fund | 694 | 35,485 | (36,179) | - | - |
| Room hire Deposits | 1,200 | - | - | - | 1,200 |
| Little Pebbles Liverpool | 182 | 443 | (377) | - | 248 |
| Holding Fund | 150 | (150) | - | - | - |
| | <u>148,012</u> | <u>211,713</u> | <u>(158,014)</u> | <u>(54,181)</u> | <u>147,530</u> |
| Aggregate of funds | <u>947,283</u> | <u>639,777</u> | <u>(624,638)</u> | <u>-</u> | <u>962,423</u> |

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2024

14 Funds (cont.)

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

| | <u>Unrestricted Funds</u> | | | 2023 £ |
|---------------------------------------|---------------------------|--------------------------|--------------------------|----------------|
| | General funds £ | Designated funds £ | Restricted funds £ | |
| Tangible fixed assets | 763,255 | - | - | 763,255 |
| Stock | - | - | 130 | 130 |
| Debtors | 9,449 | - | 536 | 9,985 |
| Cash at bank and in hand | 35,578 | 13,176 | 147,283 | 196,037 |
| Creditors falling due within one year | (6,565) | - | (419) | (6,984) |
| | <u>801,717</u> | <u>13,176</u> | <u>147,530</u> | <u>962,423</u> |

Designated Funds

The Sabbatical Fund is an unrestricted fund designated by the Trustees to allow for future expenditure on a planned sabbatical for the church leaders.

The Wirral Building Repair Fund was an unrestricted fund designated by the Trustees to allow for future expenditure on the Wirral property. All funds are now held in the restricted fund of the same name.

The Giving Fund is an unrestricted fund designated by the Trustees to allow for future christian charitable giving to individuals and organisations, usually with a focus on church planting support

The Contingency Fund is an unrestricted fund designated by the Trustees to allow for future unexpected expenditure.

The Weekend away fund relates to income & expenditure for the Bolder youth weekend away.

Restricted Funds

The Staff Worker Fund is a restricted fund held to receive funds for salary and training payments.

The Dovedale Building Fund is a restricted fund created to receive and manage the funds raised for the future purchase and renovation of a building for church use. In 2021 Ramilies Road Hall Trust donated the proceeds from the sale of their building to

The Church Plant Residency Fund is a restricted fund created to help finance individuals to train as part of Cornerstone Collective of Churches Church Plant Residency training programme.

The Wirral Building Repair Fund is a restricted fund created to receive and manage funds raised for repairs & maintenance of the church building used by Cornerstone Wirral.

The Hope Church Kensington Fund is made up of several restricted funds created to hold various donations for projects out of Hope Church.

The Liberti Church Outreach Fund is a restricted fund created to fund evangelistic/outreach work from Liberti Church.

The Cornerstone Wirral Fund is a restricted fund created to hold various donations to Cornerstone Wirral with specific restrictions.

The Cornerstone Liverpool Fund is a restricted fund for donations specifically to be used by Cornerstone Liverpool church.

The Crosslands Fund is a restricted fund to support staff in their Crosslands training.

The Acts29 Fund is for funds donated by Acts 29 GB as a grant for Acts 29 related work undertaken by members of staff at Cornerstone Collective.

The Little Pebbles Liverpool Fund is a restricted fund made up of a grant received for the baby and toddler group - funds restricted for purchasing items to improve the functioning of the Little Pebbles group.

The Grimké Europe Project is a restricted fund for a partnership with Grimké seminary in US to provide training.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2024

15 Transactions with related parties

During the year the charity:

- a) received donations totalling £42,948 (2023: £48,005) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- b) No expenses (2023: £nil) were paid to, or for, the trustees. Reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

During the year the charity also made the following payments to, or for, related parties:

- a) Sian Robinson, who is closely related to Steve Robinson, who is a trustee, received payments totalling £128 (2023: £1,291) for providing cleaning services to the charity.

Except as disclosed in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

16 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

CORNERSTONE COLLECTIVE OF CHURCHES
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 JULY 2024

| | Unrestricted funds General 2024 £ | Designated 2024 £ | Restricted 2024 £ | Total 2024 £ |
|--|--|-------------------------|-------------------------|--------------------|
| INCOME AND ENDOWMENTS FROM: | | | | |
| Donations | 465,682 | - | 182,502 | 648,184 |
| Charitable activities | 0 | 195 | 39,505 | 39,700 |
| Other trading activities | 18,860 | - | - | 18,860 |
| Other income | 5 | - | - | 5 |
| Total income and endowments | 484,547 | 195 | 222,006 | 706,749 |
| EXPENDITURE ON: | | | | |
| Charitable activities: | 525,739 | 1,347 | 171,665 | 698,751 |
| Total Expenditure | 525,739 | 1,347 | 171,665 | 698,751 |
| Net gains/(losses) on investments | - | | | - |
| Net income/(expenditure) | (41,192) | (1,152) | 50,342 | 7,998 |
| Transfers between funds | 83,017 | 4,800 | (87,817) | - |
| Net movement in funds | 41,825 | 3,648 | (37,475) | 7,998 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | 801,717 | 13,176 | 147,530 | 962,423 |
| Total funds carried forward | 843,542 | 16,824 | 110,055 | 970,421 |

| | Unrestricted funds General 2023 £ | Designated 2023 £ | Restricted 2023 £ | Total 2023 £ |
|--|--|-------------------------|-------------------------|--------------------|
| Donations | 403,490 | - | 177,172 | 580,662 |
| Charitable activities | - | 1,366 | 34,541 | 35,907 |
| Other trading activities | 21,564 | - | - | 21,564 |
| Other income | 1,644 | - | - | 1,644 |
| Total income and endowments | 426,698 | 1,366 | 211,713 | 639,777 |
| EXPENDITURE ON: | | | | |
| Charitable activities: | 462,123 | 4,500 | 158,014 | 624,638 |
| Total Expenditure | 462,123 | 4,500 | 158,014 | 624,638 |
| Net gains/(losses) on investments | - | | | - |
| Net income/(expenditure) | (35,425) | (3,134) | 53,699 | 15,140 |
| Transfers between funds | 51,781 | 2,400 | (54,181) | - |
| Net movement in funds | 16,356 | (734) | (482) | 15,140 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | 785,361 | 13,910 | 148,012 | 947,283 |
| Total funds carried forward | 801,717 | 13,176 | 147,530 | 962,423 |

Note

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CORNERSTONE COLLECTIVE OF CHURCHES

England & Wales - Charity number 1152099

Accounts

Cornerstone Collective of Churches

Report and Accounts
Year ended 31 July 2023

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

CORNERSTONE COLLECTIVE OF CHURCHES

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JULY 2023

| | |
|------------------------------------|--|
| Trustees | A Craig N Forsythe D Heybourn (resigned December 2023) L Horne M Newberry S Robinson A Taylor J Walsh (resigned December 2023) A Wood |
| Key Staff | G Osborn |
| Governing Document | Memorandum and Articles dated 6 July 2012 as amended by Certificate of Incorporation on change of name dated 10 September 2018, as amended on 23 January 2023. |
| Company Registration Number | 08133846 |
| Charity Registration Number | 1152099 |
| Registered Office | Cornerstone Church Dovedale Road Liverpool Merseyside L18 1DW |
| Independent Examiner | Sarah Crispin ACA Stewardship 1 Lamb's Passage London EC1Y 8AB |
| Bankers | HSBC Bank plc Nat West Bank Plc |

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**CORNERSTONE COLLECTIVE OF CHURCHES
(FORMERLY CORNERSTONE CHURCH, LIVERPOOL)
TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 JULY 2023

The trustees, who are the charity's directors for the purposes of company law, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity:

The charity is a charitable company and is governed by its memorandum and articles of association. The objects of the charity, as set out in the governing document are:

1. To advance the Christian faith through the public preaching of the gospel
2. To demonstrate the Christian faith through the training of men and women for Church leadership, parent/carer and baby/toddler groups, teaching and training of children and young people, involvement in community activities; including the planting of local gospel communities and planting churches.
3. In accordance with the Statement of Beliefs in the areas of Liverpool, Merseyside and in such parts of the United Kingdom and the wider world as the trustees may from time to time see fit.

Government:

Responsibility for setting policy and for making operating decisions rests with the trustees who meet regularly to monitor the activities of the charity. New trustees are recruited and appointed by the existing trustees, by a majority vote.

Review of Activities:

In planning the activities, the Trustees have considered the guidance on public benefit issued by the Charity Commission.

In the last 12 months we have seen membership across our churches continue to increase overall as the number of adult members has increased from 221 to 230. These increases have been seen across all 4 churches in the Collective, although some churches have lost some members as well as gaining new ones. The most significant impact of this was felt by Cornerstone Church Liverpool in the autumn of 2022 when a small team (including 8 adult members) moved to help revitalise Orrell Park Baptist Church. This is a wonderful outworking of our charitable objectives, and we are delighted that this church has seen significant growth and gospel impact during the past year.

We have continued to prioritise the work the churches have been doing with children and young people in our church communities throughout this financial year. Across the churches there are regularly around 100 children aged 11 and under who participate in 'Kids' Church' (time spent teaching children about God and the Bible, as well as building relationships with each other) on Sunday mornings, alongside the main church services. Older children and young people have a weekly group available to them at Cornerstone Liverpool (for young people across all Cornerstone Collective Liverpool based churches) and at Cornerstone Wirral, where they gather socially and to study the Bible, with extra social events on occasion as well. Attendance at these groups averages around 35 young people each week, and additionally an outdoor activity weekend away was run in October 2022 for all young people connected to our churches, and it was hugely encouraging to have the young people together to enjoy the activities and study the Bible – helping develop their own understanding of God and the Bible. In addition to these Bible-based settings we also run parent/carer and baby/pre-school sessions on a weekly basis which are designed to welcome people into the Liverpool, Wirral and Hope churches for a time of support for the adults, and stimulation and learning through play for the children. An average of around 100 people have been attending these various groups weekly this past year, which has been a real blessing to all involved, including the attendees – this also contributes to the fulfilment of our 2nd charitable objective.

The Cornerstone Collective Training and Coaching area of our work continued to be worked on this past year, with a number of churches/leaders connecting with us for support and training, helping us fulfil the charitable objectives further. The most significant aspect of this was through the training of the leader of the team sent

from Cornerstone Church Liverpool to revitalise Orrell Park Baptist Church on the Church Plant Residency programme and the training he received. The involvement of the existing Pastor at Orrell Park in partnership with Cornerstone Collective, alongside the new Pastor employed by them at the end of his Residency with the Collective has been a huge encouragement to their church but also to the other churches in the Collective – with the Gospel reaching more people in the North of Liverpool as a result. Part of the value of the Church Planter Residency Programme is in the partnership we have with Acts 29, with three of the Collective team remaining seconded to Acts 29 for one or two days a week to work for Acts 29 GB as they seek to support church planting across the UK. This partnership has strengthened over 2022-2023, and has allowed both organisations to function well, as well as allowing Cornerstone Collective of Churches to continue its endeavours in church planting in the Merseyside region, as per objective 2.

Remedial work has continued on the building used by Cornerstone Church Liverpool, but at a slower pace than the previous financial year. This is a result of the immediate water ingress issues being solved and the work completed, so the focus has shifted to the longer-term redevelopment plans being drawn up with the assistance of architects and a range of relevant specialist consultants. Additionally, significant fundraising work has been focused on raising money to restore two of the large stained-glass windows in the church, and at the close of the financial year most funding for this project was secured with grants and donations supplied so that work could begin in the 2023-2024 financial year. Cornerstone Church Wirral has also invested some funding to improve their building this year, ensuring that the building remains fit for purpose.

On a hugely positively note, our churches and organisation ended the financial year on 31st July 2023 with a financial surplus in our 'General' fund (our operational finance stream, separate from restricted and designated funds) which is fantastic, and as a Christian organisation we thank God for this. This position enables us to reinvest in the charity and plan for the future in a healthy, stable financial position.

Charity law requires us as Trustees in the role of the Directors of the Charity to prepare financial statements for the accounting year 2022-2023 which gives a true and fair view of the state of the Charity, specifically in terms of its income and expenditure for the year. This includes us:

1. Selecting suitable accounting policies and applying them consistently
2. Making judgements and estimates that are reasonable and prudent
3. Stating whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
4. Preparing the financial statements on a 'going concern' basis unless it is inappropriate to presume that the charity will continue in business
5. Being aware that we are responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and which enable us to ensure that the financial statements comply with the Companies Act 2006.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud.

Financial Review

The Cornerstone Collective of Churches has spent the year securing running four churches and partnering with Orrell Park Baptist church as well, and we are pleased to report that the financial profile has remained stable, allowing the functioning of the Collective and its churches to continue to move forward in their work.

At the close of the previous financial year in July 2022, Cornerstone Church Liverpool had made very good progress on the necessary (primarily external) remedial works to its building, and in the autumn of 2022, we were awarded a grant of £25,000 from the FIEC to help complete the external works required. The main building focus in 2022-2023 has been on raising funds to restore two large stained-glass windows which have been deemed 'at high risk of failure' and by the end of the financial year, we had been successful in raising £67,024 in grants (mostly ones we must ask contractors to invoice directly once work starts, so the balances don't show on our bank accounts) and donations. This means that as 2023-2024 begins, the work to restore and

repair the windows can begin, and focus can shift back towards pushing forward more the longer-term renovation plans.

A further area in which the organisation has been financially blessed has been the support received for Hope Church's Food Pantry 'Hope Fridge'. It launched the food pantry in January 2023, opening for 2 hours each Thursday and supplying around £25 of food for a £3.50 donation from clients. It has been a massive blessing to the local community and it was blessed with £21,875.57 (as of 31 July 2023) in grants and donations to keep it running each week. Additionally, Hope Church also received a grant of £6000 from the FIEC for its work in the community, and therefore it has been utilised to support the start-up and rental costs of Hope Fridge. The hope is that further donations and grants will be available in 2023-2024 to keep it running, and possibly expand it if funds allow.

Linked to Hope Church is another ongoing financial blessing, this time in the form of the funding received from The Message Trust for the Eden Team Lead role linked with the church. This role is part funded by The Message Trust over the course of a three-year arrangement with them, with the funding reducing each year as the individual employed seeks other avenues of funding for the role over time. In 2022-2023, £18,807 was received from The Message Trust for this role, and we were also successful in receiving a grant from the FIEC for the role amounting to £11,250. This funding is incredibly helpful in securing the financial stability of the role and allows the work in the local community to continue.

The two other churches in Cornerstone Collective were also successful in obtaining grants from the FIEC in the autumn of 2022 (the grants were part of the FIEC's 100th Anniversary celebrations). Cornerstone Church Wirral were granted £9000 to replace the floor in the main church hall – it was a health and safety issue in its old form, so the new floor is safer and more user friendly for the church and community (as it is hired out e.g. it is used weekly by a local dance school). Liberti Church Lark Lane received £10,800 to support their outreach in the Lark Lane area of Liverpool, and some of this was spent in 2022-2023 on training and a computer to support the outreach, but the majority is being carried over into 2023-2024 and is set aside for a fixed term (one-year) role for a part time Ministry Worker focusing on outreach into the local community of the church – furthering its impact and work in the area.

The final significant source of income worthy of note from 2022-2023 for the charity is from Acts 29 GB, as the formalised secondment of three members of staff from Cornerstone Collective to Acts 29 GB started in September 2022. This has been for the Director of the Collective for 2 days per week, the Operations Director for 1 day per week, and the Lead Pastor of Cornerstone Wirral 1 day per week, and a total of £2,981 has been received as a grant from Acts 29 GB each month from that date onwards, which has consequently enabled the finances of Cornerstone Collective to be used for more purposes across the Collective and its churches, as less direct income has been utilised for payroll.

Overall, the finances of the general functioning of the organisation have been managed well. The (general operating) expenditure of 2022-2023 was £462,123 with the income being £426,698 ending the financial year with a general operational surplus after fund transfers of £16,356. Looking at the broader income and expenditure of the charity, and including all restricted funds received and expenditure from these, the income was also above expenditure on this level as well, in contrast to the previous year where expenditure of previously received income for the Cornerstone Liverpool building was higher than income. Budgets have been produced for the 2023-2024 financial year to ensure that all donations we receive are used in accordance with Charity Law and to aid the charity to meet its charitable objectives.

Moving into 2023-2024, we are financially stable, but are also acutely aware of the broader economic context of the UK, in which we function. Rising inflation and interest rates may well impact the level of donations received by Cornerstone Collective of Churches, and the ongoing high price of gas and electricity is beginning to hit harder as fixed-term contracts for buildings owned by Cornerstone Collective end and higher costs are brought about as a result. Therefore, we must operate our planned budget with clear prudence to ensure that we can continue to function if our income decreases, or if our expenditure increases beyond what we have anticipated. One of the plans at the end of 2022-2023 was that Cornerstone Church Wirral was moving towards establishing itself as an independent CIO outside of Cornerstone Collective, and therefore our general operating budget for 2023-2024

totals £398,824.44, which on the face of it is in line with last year's budget and reflects the running costs of two buildings, an increased staff team and the end of some financial offsetting in costs for the Assistant Pastor at Cornerstone Church Wirral (from a grant for the role over a two-year period). However, this budget has also been drawn up to reflect the planned independence of Cornerstone Church Wirral as a CIO, which at the time of budget creation was planned for January 2024, and therefore the budget does not include their expenditure from this date. At the time of reporting though (early 2024), the Cornerstone Church Wirral CIO plans have been put on hold, so the internal operational budget is being adjusted to reflect the inclusion of Cornerstone Church Wirral in the Cornerstone Collective for the entirety of the 2023-2024 financial year.

The trustees remain determined that none of the financial undertakings distract us from the charitable aims and objectives of the charity – to spread the Gospel of Jesus Christ and the Salvation he offers across Merseyside, and we remain truly thankful to God for his financial provision and protection of His churches. The unrestricted surplus the charity was left with at the end of 2022-2023 will be reinvested in the charity to ensure that meeting the charitable aims and objectives continue to be our focus. We have committed to continuing in these endeavours and financially we will work hard to allow this to continue with growth of the existing churches, as well as planning to plant and revitalise new ones as opportunities to do so arise.

Reserves Policy

The charity recognises its responsibility to pursue a healthy financial position to help safeguard the aims of the charity and its staff. Finances are reviewed monthly, and the Cornerstone Collective of Churches budget considers how we can protect, and potentially grow, our reserve to ensure our long-term financial health and sustainability.

Due to the nature of the charity and its aims, it is not unexpected that from time to time the Cornerstone Collective of Churches might function with an operational deficit. However, at any given time, and whenever possible, it will endeavour to hold three months of salary payments (equivalent to approximately £90,000 as of 31 July 2023 when including employer pension and NI contributions) in the bank as a financial reserve as a means to comply with the Code of Governance for Charities and IPC's (Guideline 6.3.1). This is incorporated into our contingency and general fund, which is identified clearly and reviewed regularly. Restricted funds are not considered, except to the extent that they are available to fund salary costs.

The level of unrestricted cash reserves as of 31st July 2023 was around £50,000. After analysing existing funds, cash flow (with income from regular givers remaining broadly stable) and forecasting expenditure based on planned activities, Cornerstone Collective of Churches considered this to be an appropriate reserve at the end of the financial year. Although lower than the amount needed for three months of salary payments, some of the restricted funds (e.g. Hope Church Fund) can be utilised for salaries of individuals to offset the total unrestricted amount needed. This amount and approach is reviewed on an annual basis, as well as being adjusted when new staff are first employed to ensure that there is capacity to increase the cash reserves over time should this be required in order for the charity to comply with Guideline 6.3.1 mentioned earlier.

When it is not possible to maintain our financial reserve to the agreed levels, Cornerstone Collective of Churches is committed to taking sensible steps with the Elders and staff to ensure that the Collective of Churches continues with its charitable aims, whilst also demonstrating the appropriate financial restraint. In these instances, the regular income and regular expenditure is a key consideration, and the reserve would be used in the following ways:

1. Fulfilling current obligations (bills and fixed operational costs)
2. Payment of Staff Salaries

Due to the nature of the Cornerstone Collective of Churches' activities it is possible to reduce other monthly expenditure quickly, but it must be noted that this would influence the ability of the churches to fulfil their vision and charitable aims.

The Cornerstone Collective of Churches is also committed to increasing its regular income on a consistent basis, particularly as the Collective of Churches grows (numerically in individual churches as well as in the total number

of churches in or partnered with the Collective – even with Cornerstone Church Wirral setting up as an independent CIO, the plan is for them to remain partnered with Cornerstone Collective), but it also reserves its right as a 'faith-based charity' to trust God for such financial provision. The demographic of the Cornerstone Collective of Churches membership and our various partnerships should also add another layer of confidence if the financial reserve was breached.

Risk Statement

The Trustees have reviewed the risks to which a small charity operating with few employees is exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was **approved by the trustees on (date):**
and signed on their behalf by:

Matthew Newberry, Chair of Trustees

Matthew Newberry

18 March 2024

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
CORNERSTONE COLLECTIVE OF CHURCHES
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2023 on pages 8 to 20 following, which have been prepared on the basis of the accounting policies set out on pages 11 and 12.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Sarah Crispin

Sarah Crispin ACA
Institute of Chartered Accountants in England and Wales

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 26 March 2024

CORNERSTONE COLLECTIVE OF CHURCHES
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2023

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2023 £ | Total Funds 2022 £ |
|--|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Donations | 3 | 403,490 | 177,172 | 580,662 | 538,641 |
| Charitable activities | 4 | 1,366 | 34,541 | 35,907 | 17,023 |
| Other trading activities | 5 | 21,564 | - | 21,564 | 12,396 |
| Other income | | 1,644 | - | 1,644 | 750 |
| Total income and endowments | | 428,064 | 211,713 | 639,777 | 568,810 |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 6 | 466,623 | 158,014 | 624,638 | 491,965 |
| Total expenditure | | 466,623 | 158,014 | 624,638 | 491,965 |
| Net gains/(losses) on investments | | - | - | - | - |
| Net income/(expenditure) | | (38,559) | 53,699 | 15,140 | 76,845 |
| Transfers between funds | 14 | 54,181 | (54,181) | - | - |
| Net movement in funds | | 15,622 | (482) | 15,140 | 76,845 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 799,271 | 148,012 | 947,283 | 870,438 |
| Total funds carried forward | 14 | 814,893 | 147,530 | 962,423 | 947,283 |

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

All income and expenditure derive from continuing operations.

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

The notes on pages 11-19 form part of these accounts.

CORNERSTONE COLLECTIVE OF CHURCHES

BALANCE SHEET

AS AT 31 JULY 2023

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2023 £ | Total Funds 2022 £ |
|---|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | <u>763,255</u> | <u>-</u> | <u>763,255</u> | <u>755,248</u> |
| | | <u>763,255</u> | <u>-</u> | <u>763,255</u> | <u>755,248</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 9,449 | 536 | 9,985 | 20,083 |
| Cash at bank and in hand | 11 | <u>48,754</u> | <u>147,283</u> | <u>196,037</u> | <u>179,632</u> |
| | | 58,203 | 147,949 | 206,153 | 199,715 |
| CREDITORS: Amounts falling due within one year | 12 | <u>(6,565)</u> | <u>(419)</u> | <u>(6,984)</u> | <u>(7,680)</u> |
| Net current assets / (liabilities) | | <u>51,638</u> | <u>147,530</u> | <u>199,168</u> | <u>192,035</u> |
| Total assets less current liabilities | | <u>814,893</u> | <u>147,530</u> | <u>962,423</u> | <u>947,283</u> |
| TOTAL NET ASSETS | | <u>814,893</u> | <u>147,530</u> | <u>962,423</u> | <u>947,283</u> |
| FUND BALANCES | | | | | |
| Unrestricted Funds | 14 | | | | |
| General funds | | 801,717 | - | 801,717 | 785,361 |
| Designated funds | | <u>13,176</u> | <u>-</u> | <u>13,176</u> | <u>13,910</u> |
| | | <u>814,893</u> | <u>-</u> | <u>814,893</u> | <u>799,271</u> |
| Restricted Funds | | <u>-</u> | <u>147,530</u> | <u>147,530</u> | <u>148,012</u> |
| | | <u>814,893</u> | <u>147,530</u> | <u>962,423</u> | <u>947,283</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2023

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2023 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities (a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors and were signed on its behalf by:

Matthew Newberry

Matthew Newberry

Date: 18 March 2024

Company number: 08133846

Charity number: 1152099

The notes on pages 11-19 form part of these accounts.

CORNERSTONE COLLECTIVE OF CHURCHES
FOR THE YEAR ENDED 31 JULY 2023
CASH FLOW STATEMENT

| | Note | 2023 £ | 2022 £ |
|---|------|-----------------|------------------|
| Cash flows from operating activities: | | | |
| Net cash provided by/(used in) operating activities | a | <u>98,011</u> | <u>104,293</u> |
| Cash flows from investing activities: | | | |
| Purchase of property, plant and equipment | | (81,606) | (267,945) |
| Net cash provided by/(used in) investing activities | | <u>(81,606)</u> | <u>(267,945)</u> |
| Change in cash and equivalents in the reporting period | | 16,405 | (163,651) |
| Cash and equivalents at the beginning of the year | b | <u>179,632</u> | <u>343,284</u> |
| Cash and cash equivalents at the end of the year | b | <u>196,037</u> | <u>179,633</u> |

Note a: Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | 2023 £ | 2022 £ |
|---|---------------|----------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | 15,140 | 76,845 |
| Adjustments for: | | |
| Depreciation charges and provisions for impairment | 73,600 | 32,345 |
| (Increase)/decrease in stocks | (130) | - |
| (Increase)/decrease in debtors | 10,098 | (5,630) |
| Increase/(decrease) in creditors | (696) | 734 |
| Net cash provided by (used in) operating activities | <u>98,011</u> | <u>104,293</u> |

Note b: Analysis of cash and cash equivalents

| | 2023 £ | 2022 £ |
|--|----------------|----------------|
| Cash at bank with immediate access | 196,037 | 179,632 |
| Total cash and cash equivalents | <u>196,037</u> | <u>179,632</u> |

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2023

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity. When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. Donated fixed assets are capitalised.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats including youth events.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from hire of church rooms.

Other income includes gains arising from the disposal of tangible fixed assets.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The Charities SORP requires charities with income over £500,000 to allocate costs to the various activities undertaken by the charity. The nature of the work of the charity is considered to be so integrated that the core charitable activity costs are considered to be for the one activity.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

2 Accounting Policies (cont.)

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

| | |
|-----------------------|---|
| Freehold land | Is not depreciated (because it is not consumed by use) |
| Freehold buildings | Over 50 years after taking account of the building's residual value |
| Freehold improvements | Over 5 years |
| Equipment & Fixtures | Over 5 years |

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

3 Donations

| | 2023 | 2022 |
|-------------------------------|----------------|----------------|
| | £ | £ |
| Donations of cash and similar | 389,475 | 401,311 |
| Donations in kind (note 3a) | 10,966 | 22,388 |
| Government grants | 14,992 | - |
| Other grants receivable | 83,807 | 48,765 |
| Income tax recoverable | 81,422 | 66,177 |
| | <u>580,662</u> | <u>538,641</u> |

a Donations in kind comprise:

| | 2023 | 2022 |
|---------------------------------|---------------|---------------|
| | £ | £ |
| Goods donated for: | | |
| For use by the charity | - | 22,388 |
| For distribution by Food Pantry | 10,966 | - |
| | <u>10,966</u> | <u>22,388</u> |

Goods donated for distribution by the Food Pantry in the current financial year comprise food items and are valued using the Trussell Trust valuation of £2.37/kg. Goods donated for use by the charity in the previous year comprise the labour and materials to install a short term heating system in the Dovedale Road property.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2023

| | | |
|---|----------------|----------------|
| 4 Income from charitable activities | 2023 | 2022 |
| | £ | £ |
| Church & Youth retreats and events | 1,366 | 3,150 |
| Salary contribution for seconded staff | 34,541 | 13,873 |
| | <u>35,907</u> | <u>17,023</u> |
| | | |
| 5 Income from other trading activities | 2023 | 2022 |
| | £ | £ |
| Room hire | 21,564 | 12,396 |
| | <u>21,564</u> | <u>12,396</u> |
| | | |
| 6 Charitable expenditure | 2023 | 2022 |
| | £ | £ |
| a Costs incurred directly on specific activities | | |
| Pastoral & Ministry expenses | 16,583 | 5,382 |
| Staff funding | 365,922 | 337,047 |
| Training and conferences | 17,094 | 11,684 |
| Travel | 18,828 | 10,265 |
| Property | 40,371 | 18,254 |
| Room hire | 6,643 | 7,952 |
| IT and equipment | 3,219 | 3,889 |
| Other direct costs | 2,282 | 4,629 |
| Depreciation | 73,600 | 32,345 |
| Outreach | 1,818 | 723 |
| Project costs (excluding staffing): | | |
| Crosslands | 4,439 | 4,843 |
| Acts 29 | 3,388 | 5,807 |
| Eden project | 4,371 | 1,632 |
| Food Pantry (including donated goods expensed) | 28,038 | - |
| Dovedale building project | 103 | 8,423 |
| | <u>586,700</u> | <u>452,875</u> |
| Grants payable (note 6c) | 16,143 | 21,147 |
| | <u>602,842</u> | <u>474,022</u> |
| | | |
| b Costs incurred on support & administration | | |
| Governance costs | | |
| Independent examiner's fee | 3,690 | 3,600 |
| Office costs | 9,598 | 7,754 |
| Insurance | 6,508 | 5,617 |
| Legal and Professional Fees | 1,999 | 971 |
| | <u>21,795</u> | <u>17,943</u> |
| | | |
| Total expenditure | <u>624,638</u> | <u>491,965</u> |

The fee payable to the independent examiner for preparing and examining the accounts was £3,690 (2022: £3,600); in addition the charity paid £1,247 (2022: £1,164) to Stewardship for payroll bureau and consultancy services.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2023

6 Charitable expenditure (cont.)

c Grants payable

| | Institutions £ | Individuals £ | 2023 £ |
|------------------------------------|-------------------|------------------|---------------|
| Grants for UK and overseas mission | 11,738 | 3,278 | 15,016 |
| Grants for the relief of poverty | 1,127 | - | 1,127 |
| | <u>12,865</u> | <u>3,278</u> | <u>16,143</u> |

The comparatives for the previous year are as follows:

| | Institutions £ | Individuals £ | 2022 £ |
|------------------------------------|-------------------|------------------|---------------|
| Grants for UK and overseas mission | 6,690 | 14,457 | 21,147 |
| Grants for the relief of poverty | - | - | - |
| | <u>6,690</u> | <u>14,457</u> | <u>21,147</u> |

The charity's principal grants to institutions comprised:

| | 2023 £ | 2022 £ |
|---|---------------|--------------|
| Fellowship of Independent Evangelical Churches (FIEC) | 2,400 | 2,400 |
| Acts 29 | 5,658 | 3,090 |
| The Message Trust | 1,450 | - |
| UCCF | 1,000 | - |
| Community Voice | 1,127 | - |
| Grants to institutions for less than £1,000 each | 1,230 | 1,200 |
| | <u>12,865</u> | <u>6,690</u> |

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration

| | 2023 £ | 2022 £ |
|---------------------------|----------------|----------------|
| Gross wages and salaries | 293,547 | 293,547 |
| Social security | 23,137 | 23,137 |
| Pension costs | 17,613 | 17,613 |
| Other employment benefits | 502 | 502 |
| | <u>334,799</u> | <u>334,799</u> |

The average monthly number of employees during the year was 12 (2022: 11). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

| | Wages & salaries | Other employment benefits | Employer pension contributions | 2023 £ |
|---------------------------------|------------------|---------------------------|--------------------------------|----------------|
| Trustees: | | | | |
| S Robinson | 39,270 | | 2,356 | 41,626 |
| A Wood | 31,750 | | 1,905 | 33,655 |
| J Walsh | 33,660 | | 2,020 | 35,680 |
| N Forsythe | 28,343 | | 1,701 | 30,044 |
| Other members of key management | 32,550 | | 1,953 | 34,503 |
| | | | | <u>175,508</u> |

The following amounts were payable in the previous year:

| | Wages & salaries | Other employment benefits | Employer pension contributions | 2022 £ |
|---------------------------------|------------------|---------------------------|--------------------------------|----------------|
| Trustees: | | | | |
| S Robinson | 39,270 | | 2,356 | 41,626 |
| A Wood | 31,750 | | 1,905 | 33,655 |
| J Walsh | 33,660 | | 2,020 | 35,680 |
| N Forsythe | 28,343 | | 1,701 | 30,044 |
| Other members of key management | - | | - | - |
| | | | | <u>141,005</u> |

The above trustees served as church leaders and operational staff and received the above payments for serving in that capacity, not for serving as trustees; these payments are permitted by the charity's governing document.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2023

8 Tangible fixed assets

| | Freehold Property £ | Freehold Improvements £ | Assets under construction £ | Fixtures, fittings and equipment £ | Total 2023 £ |
|---------------------------------|---------------------------|-------------------------------|--------------------------------------|---|--------------------|
| Cost | | | | | |
| At 1 August 2022 | 545,000 | 240,291 | 49,355 | 5,130 | 839,776 |
| Additions | - | 68,078 | 13,528 | | 81,606 |
| At 31 July 2023 | <u>545,000</u> | <u>308,369</u> | <u>62,883</u> | <u>5,130</u> | <u>921,382</u> |
| Accumulated depreciation | | | | | |
| At 1 August 2022 | 61,800 | 21,189 | - | 1,539 | 84,528 |
| Charge for the year | 10,900 | 61,674 | - | 1,026 | 73,600 |
| At 31 July 2023 | <u>72,700</u> | <u>82,863</u> | <u>-</u> | <u>2,565</u> | <u>158,128</u> |
| Net book value | | | | | |
| At 31 July 2023 | <u>472,300</u> | <u>225,507</u> | <u>62,883</u> | <u>2,565</u> | <u>763,255</u> |
| At 31 July 2022 | <u>483,200</u> | <u>219,102</u> | <u>49,355</u> | <u>3,591</u> | <u>755,248</u> |

Assets under construction represents expenditure spent on the future development of Dovedale Road. Depreciation will not be charged on this asset until the renovation work is complete.

9 Stock

| | 2023 £ | 2022 £ |
|-----------------------------------|------------|-----------|
| Donated goods | | |
| For distribution to beneficiaries | 130 | - |
| | <u>130</u> | <u>-</u> |

10 Debtors

| | 2023 £ | 2022 £ |
|-------------------------------------|--------------|---------------|
| Falling due within one year: | | |
| Tax recoverable | 5,661 | 6,778 |
| Prepayments and accrued income | 4,324 | 13,305 |
| Total debtors | <u>9,985</u> | <u>20,083</u> |

11 Cash at Bank and in Hand

| | 2023 £ | 2022 £ |
|------------------------------------|----------------|----------------|
| Cash at bank with immediate access | 196,037 | 179,632 |
| | <u>196,037</u> | <u>179,632</u> |

12 Creditors: liabilities falling due within one year

| | 2023 £ | 2022 £ |
|----------|--------------|--------------|
| Accruals | 6,984 | 7,680 |
| | <u>6,984</u> | <u>7,680</u> |

13 Pension commitments

During the year employer's pension contributions totalling £18,819 (2022: £17,613) were payable to defined contribution personal pension schemes. Pension contributions of £nil (2022: £2,197) were owing at the balance sheet date.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

14 Funds

During the year the movements in the charity's funds were as follows:

| | Opening balance 2023 £ | Incoming resources 2023 £ | Outgoing resources 2023 £ | Transfers in the year 2023 £ | Gains and losses 2023 £ | Closing balance 2023 £ |
|--------------------------------------|---------------------------------|------------------------------------|------------------------------------|---------------------------------------|----------------------------------|---------------------------------|
| <i>Designated Funds</i> | | | | | | |
| Sabbatical Fund | 3,520 | - | (2,828) | 2,400 | | 3,091 |
| Contingency Fund | 10,000 | - | - | - | | 10,000 |
| Weekend away | 390 | 1,366 | (1,672) | - | | 84 |
| | <u>13,910</u> | <u>1,366</u> | <u>(4,500)</u> | <u>2,400</u> | <u>-</u> | <u>13,176</u> |
| <i>General Unrestricted Funds</i> | 785,361 | 426,698 | (462,123) | 51,781 | | 801,717 |
| Total Unrestricted Funds | <u><u>799,271</u></u> | <u><u>428,064</u></u> | <u><u>(466,623)</u></u> | <u><u>54,181</u></u> | <u><u>-</u></u> | <u><u>814,893</u></u> |
| <i>Restricted Funds</i> | | | | | | |
| Staff Worker Funding | 16,250 | - | (15,000) | - | | 1,250 |
| Dovedale Building fund | 61,734 | 65,028 | (103) | (81,606) | | 45,052 |
| Church plant residency | 23,612 | 1,706 | (6,294) | 9,167 | | 28,191 |
| Wirral Building Repair Fund | 10,761 | 12,486 | (26,808) | 3,561 | | - |
| Hope Church Kensington | 28,978 | 44,796 | (35,544) | 8,304 | | 46,534 |
| Hope Church Kensington - Food Pantry | - | 32,841 | (28,038) | - | | 4,803 |
| Lark Lane Church plant | - | 10,800 | (1,562) | - | | 9,238 |
| Cornerstone Wirral | - | 7,139 | (2,530) | 6,393 | | 11,002 |
| Cornerstone Liverpool | - | 1,140 | (1,140) | - | | - |
| Crosslands Fund | 4,452 | - | (4,439) | - | | 12 |
| Acts 29 Fund | 694 | 35,485 | (36,179) | - | | - |
| Room hire Deposits | 1,200 | - | - | - | | 1,200 |
| Little Pebbles Liverpool | 182 | 443 | (377) | - | | 248 |
| Holding Fund | 150 | (150) | - | - | | - |
| | <u>148,012</u> | <u>211,713</u> | <u>(158,014)</u> | <u>(54,181)</u> | <u>-</u> | <u>147,530</u> |
| Aggregate of funds | <u><u>947,283</u></u> | <u><u>639,777</u></u> | <u><u>(624,638)</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>962,423</u></u> |

The transfers referred to above were made for the following reasons:

- From general funds to the designated Sabbatical Fund to set money aside for this purpose.
- From Dovedale Building Fund to General Fund to recognise capitalised expenditure on the Dovedale building.
- From General to the Church Plant Residency and Wirral Building Repairs restricted funds to contribute to expenditure in these areas.
- From General to Cornerstone Wirral restricted fund for the purchase of new chairs in 2023/24.

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2023

14 Funds (cont.)

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

| | <u>Unrestricted Funds</u> | | | 2023 £ |
|---------------------------------------|---------------------------|--------------------------|--------------------------|----------------|
| | General funds £ | Designated funds £ | Restricted funds £ | |
| Tangible fixed assets | 763,255 | - | - | 763,255 |
| Stock | - | - | 130 | 130 |
| Debtors | 9,449 | - | 536 | 9,985 |
| Cash at bank and in hand | 35,578 | 13,176 | 147,283 | 196,037 |
| Creditors falling due within one year | (6,565) | - | (419) | (6,984) |
| | <u>801,717</u> | <u>13,176</u> | <u>147,530</u> | <u>962,423</u> |

In the previous year the movements in the charity's funds were as follows:

| | Opening balance 2022 £ | Incoming resources 2022 £ | Outgoing resources 2022 £ | Transfers in the year 2022 £ | Gains and losses 2022 £ | Closing balance 2022 £ |
|-----------------------------------|---------------------------------|------------------------------------|------------------------------------|---------------------------------------|----------------------------------|---------------------------------|
| <i>Designated Funds</i> | | | | | | |
| Sabbatical Fund | 1,720 | - | - | 1,800 | - | 3,520 |
| Wirral Building Repair Fund | 6,414 | - | - | (6,414) | - | - |
| Giving fund | 16,762 | - | (9,017) | (7,745) | - | - |
| Contingency Fund | 10,000 | - | - | - | - | 10,000 |
| Crosslands Fund | 45 | - | - | (45) | - | - |
| Weekend away | - | 3,150 | (2,760) | - | - | 390 |
| | <u>34,940</u> | <u>3,150</u> | <u>(11,777)</u> | <u>(12,403)</u> | <u>-</u> | <u>13,910</u> |
| <i>General Unrestricted Funds</i> | <u>548,584</u> | <u>383,187</u> | <u>(382,266)</u> | <u>235,856</u> | <u>-</u> | <u>785,361</u> |
| Total Unrestricted Funds | <u>583,524</u> | <u>386,337</u> | <u>(394,043)</u> | <u>223,453</u> | <u>-</u> | <u>799,271</u> |
| <i>Restricted Funds</i> | | | | | | |
| Staff Worker Funding | - | 35,625 | (19,375) | - | - | 16,250 |
| Dovedale Building fund | 248,091 | 65,634 | (8,423) | (243,568) | - | 61,734 |
| Church plant residency | 20,000 | 18,140 | (27,273) | 12,745 | - | 23,612 |
| Wirral Building Repair Fund | - | 3,275 | (3,400) | 10,886 | - | 10,761 |
| Rooted Church Plant | 2,100 | - | - | (2,100) | - | - |
| Hope Church Kensington | 12,059 | 35,660 | (18,741) | - | - | 28,978 |
| Liberti Church outreach fund | 548 | - | (548) | - | - | - |
| Cornerstone Wirral | 1,461 | 701 | (701) | (1,461) | - | - |
| Cornerstone Liverpool | 405 | - | (405) | - | - | - |
| Crosslands Fund | - | 9,250 | (4,843) | 45 | - | 4,452 |
| Acts 29 Fund | - | 13,873 | (13,179) | - | - | 694 |
| Room hire Deposits | 1,100 | 100 | - | - | - | 1,200 |
| Little Pebbles Liverpool | 1,000 | 215 | (1,033) | - | - | 182 |
| Holding Fund | 150 | - | - | - | - | 150 |
| | <u>286,914</u> | <u>182,473</u> | <u>(97,922)</u> | <u>(223,453)</u> | <u>-</u> | <u>148,012</u> |
| Aggregate of funds | <u>870,438</u> | <u>568,810</u> | <u>(491,965)</u> | <u>-</u> | <u>-</u> | <u>947,283</u> |

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2023

14 Funds (cont.)

The transfers referred to above were made for the following reasons:

- a) From Dovedale Building Fund to General Fund to recognise capitalised expenditure on the Dovedale building.
- b) From Designated Wirral Building Repairs fund to Restricted Wirral Building Repairs fund as the majority of the funds received or transferred in this year are restricted and this is also likely to be the case in the future.
- c) From Rooted Church Plant to Wirral Building Repairs fund as the Rooted church plant closed in 2020. Permission was granted by the original donors.
- d) From Cornerstone Wirral to Wirral Building Repairs fund to combine the 2 funds to be used in the church's area of greatest financial need.
- e) From general funds to the Sabbatical Fund, the Giving Fund, Wirral Building Repairs and the Church Plant Residency fund to set money aside for these purposes.
- f) From the Giving Fund to the Church Plant Residency fund to combine designated funds for giving and church plant residency, as the general aim is for giving to be to support church planting.
- g) From the Wirral Building Repairs fund to the Dovedale Building fund to reflect historic balances in this fund which actually related to Dovedale.

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

| | <u>Unrestricted Funds</u> | | | 2022 £ |
|---------------------------------------|---------------------------|--------------------------|--------------------------|----------------|
| | General funds £ | Designated funds £ | Restricted funds £ | |
| Tangible fixed assets | 755,248 | - | - | 755,248 |
| Debtors | 18,150 | 595 | 1,338 | 20,083 |
| Cash at bank and in hand | 19,643 | 13,315 | 146,675 | 179,632 |
| Creditors falling due within one year | (7,680) | - | - | (7,680) |
| | <u>785,361</u> | <u>13,910</u> | <u>148,012</u> | <u>947,283</u> |

Designated Funds

The Sabbatical Fund is an unrestricted fund designated by the Trustees to allow for future expenditure on a planned sabbatical for the church leaders.

The Wirral Building Repair Fund was an unrestricted fund designated by the Trustees to allow for future expenditure on the Wirral property. All funds are now held in the restricted fund of the same name.

The Giving Fund is an unrestricted fund designated by the Trustees to allow for future christian charitable giving to individuals and organisations, usually with a focus on church planting support

The Contingency Fund is an unrestricted fund designated by the Trustees to allow for future unexpected expenditure.

The Weekend away fund relates to income & expenditure for the Bolder youth weekend away.

Restricted Funds

The Staff Worker Fund is a restricted fund held to receive funds for salary and training payments.

The Dovedale Building Fund is a restricted fund created to receive and manage the funds raised for the future purchase and renovation of a building for church use. In 2021 Ramilies Road Hall Trust donated the proceeds from the sale of their building to

The Church Plant Residency Fund is a restricted fund created to help finance individuals to train as part of Cornerstone Collective of Churches Church Plant Residency training programme.

The Wirral Building Repair Fund is a restricted fund created to receive and manage funds raised for repairs & maintenance of the church building used by Cornerstone Wirral.

The Rooted Church Plant Fund is a restricted fund created to fund raise for a 2020 Church plant which has now been discontinued and the fund closed.

The Hope Church Kensington Fund is made up of several restricted funds created to hold various donations for projects out of Hope Church.

The Liberti Church Outreach Fund is a restricted fund created to fund evangelistic/outreach work from Liberti Church.

The Cornerstone Wirral Fund is a restricted fund created to hold various donations to Cornerstone Wirral with specific restrictions.

The Cornerstone Liverpool Fund is a restricted fund for donations specifically to be used by Cornerstone Liverpool church.

The Crosslands Fund is a restricted fund to support staff in their Crosslands training.

The Acts29 Fund is for funds donated by Acts 29 GB as a grant for Acts 29 related work undertaken by members of staff at Cornerstone Collective.

The Little Pebbles Liverpool Fund is a restricted fund made up of a grant received for the baby and toddler group - funds restricted for purchasing items to improve the functioning of the Little Pebbles group.

The Holding Fund is a restricted fund created for funds being held towards specific activities e.g. Youth Weekend.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

15 Transactions with related parties

During the year the charity:

- a) received donations totalling £48,005 (2022: £38,85) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- b) No expenses (2022: £nil) were paid to, or for, the trustees. Reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

During the year the charity also made the following payments to, or for, related parties:

- a) Sian Robinson, who is closely related to Steve Robinson, who is a trustee, received payments totalling £1,291 (2022: £nil) for providing cleaning services to the charity.

Except as disclosed in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

16 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

CORNERSTONE COLLECTIVE OF CHURCHES
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 JULY 2023

| Note | <u>Unrestricted funds</u> | | | | <u>Unrestricted funds</u> | | | | |
|--|---------------------------|-----------------|----------------|-----------------|---------------------------|----------------|-----------------|------------------|----------------|
| | General | Designated | Restricted | Total | General | Designated | Restricted | Total | |
| | 2023 | 2023 | 2023 | 2023 | 2022 | 2022 | 2022 | 2022 | |
| | £ | £ | £ | £ | £ | £ | £ | £ | |
| INCOME AND ENDOWMENTS FROM: | | | | | | | | | |
| Donations | 3 | 403,490 | - | 177,172 | 580,662 | 356,869 | - | 181,772 | 538,641 |
| Charitable activities | 4 | - | 1,366 | 34,541 | 35,907 | 13,873 | 3,150 | - | 17,023 |
| Other trading activities | 5 | 21,564 | - | - | 21,564 | 12,396 | - | - | 12,396 |
| Other income | | 1,644 | - | - | 1,644 | 48 | - | 701 | 750 |
| Total income and endowments | | 426,698 | 1,366 | 211,713 | 639,777 | 383,187 | 3,150 | 182,473 | 568,810 |
| EXPENDITURE ON: | | | | | | | | | |
| Charitable activities: | 6 | 462,123 | 4,500 | 158,014 | 624,638 | 382,266 | 11,777 | 97,922 | 491,965 |
| Total Expenditure | | 462,123 | 4,500 | 158,014 | 624,638 | 382,266 | 11,777 | 97,922 | 491,965 |
| Net gains/(losses) on investments | | - | | | - | - | | | - |
| Net income/(expenditure) | | (35,425) | (3,134) | 53,699 | 15,140 | 921 | (8,627) | 84,551 | 76,845 |
| Transfers between funds | 14 | 51,781 | 2,400 | (54,181) | - | 235,856 | (12,403) | (223,453) | - |
| Net movement in funds | | 16,356 | (734) | (482) | 15,140 | 236,777 | (21,030) | (138,901) | 76,845 |
| Reconciliation of funds: | | | | | | | | | |
| Total funds brought forward | | 785,361 | 13,910 | 148,012 | 947,283 | 548,584 | 34,940 | 286,914 | 870,438 |
| Total funds carried forward | 14 | 801,717 | 13,176 | 147,530 | 962,423 | 785,361 | 13,910 | 148,012 | 947,283 |

CORNERSTONE COLLECTIVE OF CHURCHES

England & Wales - Charity number 1152099

Accounts

Cornerstone Collective of Churches

Report and Accounts
Year ended 31 July 2022

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

CORNERSTONE COLLECTIVE OF CHURCHES

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JULY 2022

| | |
|------------------------------------|---|
| Trustees | A Craig N Forsythe D Heybourn L Horne J Lockyer (resigned 14 March 2022) M Newberry S Robinson A Taylor J Walsh A Wood |
| Governing Document | Memorandum and Articles dated 6 July 2012 as amended by Special Resolution on 10 October 20 |
| Company Registration Number | 08133846 |
| Charity Registration Number | 1152099 |
| Registered Office | Cornerstone Church Dovedale Road Liverpool Merseyside L18 1DW |
| Independent Examiner | Sarah Crispin ACA Stewardship 1 Lamb's Passage London EC1Y 8AB |
| Bankers | HSBC Bank plc Nat West Bank Plc |

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**CORNERSTONE COLLECTIVE OF CHURCHES
(FORMERLY CORNERSTONE CHURCH, LIVERPOOL)
TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 JULY 2022

The trustees, who are the charity's directors for the purposes of company law, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity:

The charity is a charitable company and is governed by its memorandum and articles of association. The objects of the charity, as set out in the governing document are:

1. To advance the Christian faith through the public preaching of the gospel
2. To demonstrate the Christian faith through the training of men and women for Church leadership, parent/carer and baby/toddler groups, teaching and training of children and young people, involvement in community activities; including the planting of local gospel communities and planting churches.
3. In accordance with the Statement of Beliefs in the areas of Liverpool, Merseyside and in such parts of the United Kingdom and the wider world as the trustees may from time to time see fit.

Government:

Responsibility for setting policy and for making operating decisions rests with the trustees who meet regularly to monitor the activities of the charity. New trustees are recruited and appointed by the existing trustees, by a majority vote.

Review of Activities:

In planning the activities, the Trustees have considered the guidance on public benefit issued by the Charity Commission.

In the last 12 months we have seen membership across our churches gradually increase as the effects of Covid-19 lockdowns and restrictions move further into the past - the number of adult members has increased from 189 to 221. These increases have been seen across all 4 churches in the Collective, although plans for a team of people to move to a church outside of Cornerstone Collective of Churches in October 2022 will lead to a reduction of 8 adult members. Far from seeing this as a negative movement of the next financial year however, we are excited that we have been able to support and train the new Church Pastor for this team of people through our Church Plant Residency since September 2021 – what better reason for a reduction in membership can there be than having people move to help revitalise a church in an area of Liverpool with a need for the Gospel message? The strengthening of Hope Church Kensington, the church we planted in April 2021, as well as the preparations for the revitalisation of Orrell Park Baptist Church are ways in which we have been fulfilling our 2nd and 3rd objectives.

We have continued to prioritise the work the churches have been doing with children and young people in our church communities throughout this financial year. Across the churches there are regularly 80-90 children aged 11 and under who participate in 'Kids' Church' (time spent teaching children about God and the Bible, as well as building relationships with each other) on Sunday mornings, alongside the main church services. Older children and young people have a weekly group available to them at Cornerstone Liverpool and at Cornerstone Wirral, where they gather socially and to study the Bible, with extra social events on occasion as well. The Wirral group has only started in this financial year, but already has up to 12 young people attending its weekly sessions, with Liverpool having an average of 20 at its events each week. The two youth groups had planned to have an outdoor activity centre-based weekend in February 2022, but due to extreme weather it was postponed until October 2022 – it is set to be a really exciting and fruitful time for the young people and their leaders. In addition to these Bible-based settings we also run parent/carer and baby/pre-school sessions on a weekly basis which are designed to welcome people into the Liverpool, Wirral and Hope churches for a time of support for the adults, and stimulation and learning through play for the children. An average of 80 people have been attending these various groups this past year, which has been a real blessing to all involved, including the attendees – this also contributes to the fulfilment of our 2nd charitable objective.

As already touched on, one of the main ways in which we fulfil our first objective as a charity, to advance the Christian faith by the public preaching of the gospel, is through Church Planting. The Hope Church Kensington plant has been going from strength to strength this past year, with the church relocating to run its Sunday services in a church building which had previously been closed, and a subsequent gradual growth in attendance and membership. Additionally, Hope Church has partnered, along with Cornerstone Collective, with the Eden Network to have an Eden Team Leader on staff at the church. This appointment has come part-funded from The Message Trust/Eden Network, and has enabled the outreach work of Hope Church to expand significantly, with the running of its baby/toddler sessions, some events for young people, a community garden project and the potential running of a Food Pantry on the horizon for the next financial year as well. As this role evolves during its 3-year tenure, it aims to have significant impact in all areas of the charitable objectives, although it does also carry with it a need for some additional funding to be raised, which will become more of a focus for the next financial year.

The Cornerstone Collective Training and Coaching area of our work continued to be worked on this past year, with a number of churches/leaders connecting with us for support and training. The most significant aspect of this was through the training of the leader of the team preparing to revitalise Orrell Park Baptist Church on the Church Plant Residency programme. Further expansion of this work has also included the planning of a Revitalisation conference in October 2022, as well as direct input from some of the Collective team members in the work of the church planting organisation, Acts 29, in the UK. This work has developed into a partnership between Acts 29 GB and Cornerstone Collective of Churches, with three staff members being seconded for one or two days per week from September 2022 to work for Acts 29 GB as they seek to support church planting across the UK. These secondments have come as a result of revitalisation work that Steve Robinson (Director of Cornerstone Collective) and other members of the Cornerstone Collective team did between January and July 2022 for Acts 29 GB, after a period of turmoil for the network. The hope is that this partnership will allow both organisations to function well, and for Cornerstone Collective of Churches to continue its endeavours in church planting in the Merseyside region, as per objective 2.

Remedial work has continued on the building used by Cornerstone Church Liverpool, with significant investment in the external structures to address extensive water ingress problems. The financing of this work was in need of further donations, so in March 2022 we launched a fundraising appeal, which by the end of the financial year had seen around £95,000 raised through donations, Gift Aid and VAT reclaims (via the Listed Places of Worship Grant Scheme). The longer-term plans for the building are in the early stages of being finalised, so the bigger renovations needed should be submitted for planning permission and listed building consent in the next financial year.

On a hugely positive note, our churches and organisation ended the financial year on 31st July 2022 with a small financial surplus in our 'General' fund (our operational finance stream, separate from restricted and designated funds) which is fantastic, and as a Christian organisation we thank God for this. This position enables us to reinvest in the charity and plan for the future in a healthy, stable financial position.

Charity law requires us as Trustees in the role of the Directors of the Charity to prepare financial statements for the accounting year 2021-2022 which gives a true and fair view of the state of the Charity, specifically in terms of its income and expenditure for the year. This includes us:

1. Selecting suitable accounting policies and applying them consistently
2. Making judgements and estimates that are reasonable and prudent
3. Stating whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
4. Preparing the financial statements on a 'going concern' basis unless it is inappropriate to presume that the charity will continue in business
5. Being aware that we are responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and which enable us to ensure that the financial statements comply with the Companies Act 2006.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud.

Financial Review

As the Cornerstone Collective of Churches has spent the year securing running four churches, since the planting of Hope Church in April 2021, the financial profile has remained stable, allowing the functioning of the Collective and its churches to continue to move forward.

At the close of the previous financial year in July 2021, Cornerstone Church Liverpool had made good progress on the necessary remedial works to its new building. This continued in 2021-2022, with significant investment in the external repairs and remedial work needed to stop water ingress and associated significant damage to the fabric of the Grade II listed building continuing. In March 2022, we launched a new round of fundraising, mostly internal within the members and congregation of the church, in order to raise the approximated shortfall of funding to enable the remedial works to be completed, and for the planning application works to be concluded for the more extensive renovations needed in the longer term. By 31 July 2022, the amount raised, through donations, Gift Aid and reclaimed VAT, was in total around £95,000, leaving a remaining shortfall of approximately £50,000 to be raised in the next financial year. The fundraising has allowed work to progress steadily, and we anticipate this continuing in 2022-2023.

A further area in which the organisation has been financially blessed has been support received for Hope Church in Kensington, Liverpool. Many regular financial supporters have continued to support this church, and it has also received significant additional donations from other sources in this financial year as well. St Philemon's Church in Toxteth, Liverpool donated £7700 towards Hope and the Eden Team Leader role. Hope Church was also blessed with further financial support from a church organisation in the USA which supports church planting (The Church of Eleven22), with £3739.87 being received to support the running costs of the church during the year as well. These additional funds have been put to use in employing the Pastor of the church and all of its associated costs, for use in community engagement and social justice projects, as well as some being kept aside for use in the subsequent financial year. The third significant source of funding has been from The Message Trust, who runs the Eden Network, for the employment of an Eden Team Leader to work at Hope Church and focus on community engagement projects, amongst other areas. In this financial year, they donated £10,550 towards the employment costs of the Eden Team Leader, and an agreement is in place for further funds to be received over a 3-year period, but with a lower amount in years 2 and 3. A final significant donation to Hope Church was £9000 from an individual donor who wants to support Hope Church in their desire to set up a Food Pantry. This was at the latter end of the financial year and the plans for this are not yet in place, but this will be investigated fully during the next financial year.

A further important aspect to review in the finances of the Collective is that the organisation has received some funding each month (£1750) from January to July 2022 towards the employment costs of the Director and Operations Director of the Collective so that they can provide time and expertise to assist the revitalisation of Acts 29 GB. At the close of the financial year an agreement between the two organisations had been drawn up to second the Director of the Collective for 2 days per week, the Operations Director for 1 day per week, and the Lead Pastor of Cornerstone Wirral 1 day per week, so in the next financial year further financial support from Acts 29 GB will enable the finances of Cornerstone Collective to be used for more purposes across the Collective and its churches.

Overall, the finances of the general functioning of the organisation have been managed well. The (general operating) expenditure of 2021-2022 was £382,266 with the income being £383,187, ending the financial year with a general operational surplus of £921. Looking at the broader income and expenditure of the charity, and including all designated and restricted funds received and expenditure from these, the income was £568,810 and there was a surplus of £76,845. In addition, £245,557 of Dovedale restricted funds spent on the building project were capitalised. Budgets have been produced for the 2022-2023 financial year to ensure that all donations we receive are used in accordance with Charity Law and to aid the charity to meet its charitable objectives.

Moving into 2022-2023, we are financially stable, but are also acutely aware of the broader economic context of the UK, in which we function. There is a looming Cost of Living Crisis, including with energy bills for organisations such as ours likely to increase significantly. Therefore, we must operate our planned budget with clear prudence to ensure that we can continue to function if our income decreases, or if our expenditure increases beyond what we have anticipated. Our general operating budget for 2022-2023 totals £373,005.22, and this reflects increased costs associated with running a much larger and older building, as well as a new member staff being employed part time at Cornerstone Church Wirral with funds released by the secondment donations from Acts 29 GB. The Assistant Pastor in Training at Cornerstone Church Wirral has another year of £15,000 in funds from a grant from the FIEC which also helps the budgeting significantly. The trustees remain determined that none of the financial undertakings distract us from the charitable aims and objectives of the charity – to spread the Gospel of Jesus Christ and the Salvation he offers across Merseyside, and we remain truly thankful to God for his financial provision and protection of His churches. The unrestricted surplus the charity was left with at the end of 2021-2022 will be reinvested in the charity to ensure that meeting the charitable aims and objectives continue to be our focus. We have committed to continuing in these endeavours and financially we will work hard to allow this to continue with growth of the existing churches, as well as planting new ones.

We are thankful to God for his provision, and we hope and pray that the next 12 months will be even more fruitful and productive as we continue to share the Gospel, plant Churches and move forward with our charitable aims and objectives.

Reserves Policy

The charity recognises its responsibility to pursue a healthy financial position to help safeguard the aims of the charity and its staff. Finances are regulated on a monthly basis and the Cornerstone Collective of Churches budget considers how we can protect, and potentially grow, our reserve to ensure our long-term financial health and sustainability.

Due to the nature of the charity and its aims, it is not unexpected that from time to time the Cornerstone Collective of Churches might function with an operational deficit. However, at any given time, and whenever possible, it will endeavour to hold three months of salary payments (equivalent to approximately £90,000 as of 31 July 2022 when including employer pension and NI contributions) in the bank as a financial reserve as a means to comply with the Code of Governance for Charities and IPC's (Guideline 6.3.1). This is incorporated into our contingency and general fund, which is identified clearly and reviewed regularly. Restricted funds are not considered, except to the extent that they are available to fund salary costs.

The level of unrestricted general cash reserves as of 31st July 2022 was around £55,000. After analysing existing funds, cash flow (with income from regular givers remaining broadly stable) and forecasting expenditure based on planned activities, Cornerstone Collective of Churches considered this to be an appropriate reserve at the end of the financial year. Although lower than the amount needed for three months of salary payments, some of the restricted funds (Hope Church Fund and Staff Worker Funding) can be utilised for salaries of individuals to offset the total unrestricted amount needed. This amount and approach is reviewed on an annual basis, as well as being adjusted when new staff are first employed to ensure that there is capacity to increase the cash reserves over time should this be required in order for the charity to comply with Guideline 6.3.1 mentioned earlier.

When it is not possible to maintain our financial reserve to the agreed levels, Cornerstone Collective of Churches is committed to taking sensible steps with the Elders and staff to ensure that the Collective of Churches continues with its charitable aims, whilst also demonstrating the appropriate financial restraint. In these instances, the regular income and regular expenditure is a key consideration, and the reserve would be used in the following ways:

1. Fulfilling current obligations (bills and fixed operational costs)
2. Payment of Staff Salaries

Due to the nature of the Cornerstone Collective of Churches' activities it is possible to reduce other monthly expenditure quickly, but it must be noted that this would influence the ability of the churches to fulfil their vision and charitable aims.

The Cornerstone Collective of Churches is also committed to increasing its regular income on a consistent basis, particularly as the Collective of Churches grows (numerically in individual churches as well as in the total number of churches in the Collective), but it also reserves its right as a 'faith-based charity' to trust God for such financial provision. The demographic of the Cornerstone Collective of Churches membership and our various partnerships should also add another layer of confidence if the financial reserve was breached.

Risk Statement

The Directors have reviewed the risks to which a small charity operating with few employees is exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was **approved by the trustees on (date): 6 February 2023 and signed on their behalf by:**

Matthew Newberry

Matthew Newberry, Chair of Trustees

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
CORNERSTONE COLLECTIVE OF CHURCHES
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2022 on pages 8 to 20 following, which have been prepared on the basis of the accounting policies set out on pages 11 and 12.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Sarah Crispin

Sarah Crispin ACA
Institute of Chartered Accountants in England and Wales

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 7 February 2023

CORNERSTONE COLLECTIVE OF CHURCHES
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2022

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|--|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Donations | 3 | 370,742 | 181,772 | 552,514 | 597,466 |
| Charitable activities | 4 | 3,150 | - | 3,150 | - |
| Other trading activities | 5 | 12,396 | - | 12,396 | 7,557 |
| Other income | | 48 | 701 | 750 | - |
| Total income and endowments | | 386,337 | 182,473 | 568,810 | 605,023 |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 6 | 394,043 | 97,922 | 491,965 | 347,966 |
| Total expenditure | | 394,043 | 97,922 | 491,965 | 347,966 |
| Net gains/(losses) on investments | | - | - | - | - |
| Net income/(expenditure) | | (7,706) | 84,551 | 76,845 | 257,057 |
| Transfers between funds | 13 | 223,453 | (223,453) | - | - |
| Net movement in funds | | 215,747 | (138,901) | 76,845 | 257,057 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 583,524 | 286,914 | 870,438 | 613,381 |
| Total funds carried forward | 13 | 799,271 | 148,012 | 947,283 | 870,438 |

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

All income and expenditure derive from continuing operations.

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

The notes on pages 11-19 form part of these accounts.

CORNERSTONE COLLECTIVE OF CHURCHES

BALANCE SHEET

AS AT 31 JULY 2022

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|---|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | <u>755,248</u> | <u>-</u> | <u>755,248</u> | <u>519,648</u> |
| | | <u>755,248</u> | <u>-</u> | <u>755,248</u> | <u>519,648</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 9 | 18,745 | 1,338 | 20,083 | 14,453 |
| Cash at bank and in hand | 10 | <u>32,957</u> | <u>146,675</u> | <u>179,632</u> | <u>343,284</u> |
| | | 51,703 | 148,012 | 199,715 | 357,737 |
| CREDITORS: Amounts falling due within one year | 11 | <u>(7,680)</u> | <u>-</u> | <u>(7,680)</u> | <u>(6,946)</u> |
| Net current assets / (liabilities) | | <u>44,023</u> | <u>148,012</u> | <u>192,035</u> | <u>350,790</u> |
| Total assets less current liabilities | | <u>799,271</u> | <u>148,012</u> | <u>947,283</u> | <u>870,439</u> |
| TOTAL NET ASSETS | | <u>799,271</u> | <u>148,012</u> | <u>947,283</u> | <u>870,439</u> |
| FUND BALANCES | | | | | |
| Unrestricted Funds | 13 | | | | |
| General funds | | 785,361 | - | 785,361 | 548,584 |
| Designated funds | | <u>13,910</u> | <u>-</u> | <u>13,910</u> | <u>34,940</u> |
| | | <u>799,271</u> | <u>-</u> | <u>799,271</u> | <u>583,525</u> |
| Restricted Funds | | <u>-</u> | <u>148,012</u> | <u>148,012</u> | <u>286,914</u> |
| | | <u>799,271</u> | <u>148,012</u> | <u>947,283</u> | <u>870,439</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2022

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2022 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities (a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors and were signed on its behalf by:

Matthew Newberry
Matthew Newberry

Date: 6 February 2023

Company number: 08133846

Charity number: 1152099

The notes on pages 11-19 form part of these accounts.

CORNERSTONE COLLECTIVE OF CHURCHES
FOR THE YEAR ENDED 31 JULY 2022
CASH FLOW STATEMENT

| | Note | 2022 £ | 2021 £ |
|---|------|------------------|-----------------|
| Cash flows from operating activities: | | | |
| Net cash provided by/(used in) operating activities | a | <u>104,293</u> | <u>276,324</u> |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | - | - |
| Proceeds from the sale of property, plant and equipment | | | |
| Purchase of property, plant and equipment | | (267,945) | (26,832) |
| Proceeds from sale of investments | | | |
| Purchase of investments | | | |
| Net cash provided by/(used in) investing activities | | <u>(267,945)</u> | <u>(26,832)</u> |
| Change in cash and equivalents in the reporting period | | (163,651) | 249,493 |
| Cash and equivalents at the beginning of the year | b | <u>343,284</u> | <u>93,791</u> |
| Cash and cash equivalents at the end of the year | b | <u>179,633</u> | <u>343,284</u> |

Note a: Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | 76,845 | 257,057 |
| Adjustments for: | | |
| Depreciation charges and provisions for impairment | 32,345 | 12,183 |
| (Gains)/losses on investments | - | - |
| Dividends, interest and rents from investments | - | - |
| Loss/(profit) on the sale of fixed assets | | |
| (Increase)/decrease in stocks | - | |
| (Increase)/decrease in debtors | (5,630) | 7,562 |
| Increase/(decrease) in creditors | 734 | (479) |
| Net cash provided by (used in) operating activities | <u>104,293</u> | <u>276,324</u> |

Note b: Analysis of cash and cash equivalents

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Cash at bank with immediate access | 179,632 | 343,284 |
| Notice deposits (with a term of three months or less) | - | - |
| Petty cash | - | - |
| Total cash and cash equivalents | <u>179,632</u> | <u>343,284</u> |

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2022

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP)", with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity. When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. Donated fixed assets are capitalised.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats including youth events.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from hire of church rooms.

Other income includes gains arising from the disposal of tangible fixed assets.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The Charities SORP requires charities with income over £500,000 to allocate costs to the various activities undertaken by the charity. The nature of the work of the charity is considered to be so integrated that the core charitable activity costs are considered to be for the one activity.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

| | |
|-----------------------|---|
| Freehold land | Is not depreciated (because it is not consumed by use) |
| Freehold buildings | Over 50 years after taking account of the building's residual value |
| Freehold improvements | Over 5 years |
| Equipment & Fixtures | Over 5 years |

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

3 Donations

| | 2022 | 2021 |
|-------------------------------|----------------|----------------|
| | £ | £ |
| Donations of cash and similar | 401,311 | 507,215 |
| Donations in kind (note 3a) | 22,388 | - |
| Government grants (note 3b) | - | 10,092 |
| Other grants receivable | 62,638 | 34,550 |
| Income tax recoverable | 66,177 | 45,609 |
| | <u>552,514</u> | <u>597,466</u> |

a Donations in kind comprise:

| | 2022 | 2021 |
|------------------------|---------------|----------|
| | £ | £ |
| Goods donated for: | | |
| For use by the charity | 22,388 | - |
| | <u>22,388</u> | <u>-</u> |

Good donated for use by the charity comprise the labour and materials to install a short term heating system in the Dovedale Road property.

b Government grants comprise:

| | 2022 | 2021 |
|-----------------------------|----------|---------------|
| | £ | £ |
| Job Retention Scheme grants | - | 10,092 |
| | <u>-</u> | <u>10,092</u> |

CORNERSTONE COLLECTIVE OF CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2022

| | | | |
|----------|---|----------------|----------------|
| 4 | Income from charitable activities | | |
| | | 2022 | 2021 |
| | | £ | £ |
| | Church & Youth retreats and events | 3,150 | - |
| | | <u>3,150</u> | <u>-</u> |
| 5 | Income from other trading activities | | |
| | | 2022 | 2021 |
| | | £ | £ |
| | Room hire | 12,396 | 7,557 |
| | | <u>12,396</u> | <u>7,557</u> |
| 6 | Charitable expenditure | | |
| | | 2022 | 2021 |
| | | £ | £ |
| a | Costs incurred directly on specific activities | | |
| | Pastoral expenses | 5,382 | 3,308 |
| | Staff funding | 337,047 | 228,223 |
| | Training and conferences | 11,684 | 13,601 |
| | Travel | 10,265 | 1,466 |
| | Property | 18,254 | 11,962 |
| | Room hire | 7,952 | 5,680 |
| | IT and equipment | 3,889 | 13,248 |
| | Other direct costs | 4,629 | 838 |
| | Depreciation | 32,345 | 12,183 |
| | Outreach | 723 | 2,200 |
| | Project costs (excluding staffing): | | |
| | Crosslands | 4,843 | |
| | Acts 29 | 5,807 | - |
| | Eden project | 1,632 | - |
| | Dovedale building project | 8,423 | 25,205 |
| | | <u>452,875</u> | <u>317,914</u> |
| | Grants payable (note 8c) | 21,147 | 8,517 |
| | | <u>474,022</u> | <u>326,431</u> |
| b | Costs incurred on support & administration | | |
| | Governance costs | | |
| | Independent examiner's fee | 3,600 | 2,640 |
| | Office costs | 7,754 | 6,415 |
| | Insurance | 5,617 | 7,496 |
| | Legal and Professional Fees | 971 | 4,985 |
| | | <u>17,943</u> | <u>21,536</u> |
| | Total expenditure | <u>491,965</u> | <u>347,966</u> |

The fee payable to the independent examiner for preparing and examining the accounts was £3,600 (2021: £2,640); in addition the charity paid £1,164 (2021: £1,197) to Stewardship for payroll bureau and consultancy services.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

c Grants payable

| | Institutions £ | Individuals £ | 2022 £ |
|---|-------------------|------------------|---------------|
| Grants for UK and overseas mission | 6,690 | 14,457 | 21,147 |
| Grants for the relief of poverty | - | - | - |
| Grants for education, including ministry training | - | - | - |
| | <u>6,690</u> | <u>14,457</u> | <u>21,147</u> |

The comparatives for the previous year are as follows:

| | Institutions £ | Individuals £ | 2021 £ |
|---|-------------------|------------------|--------------|
| Grants for UK and overseas mission | - | 2,517 | 2,517 |
| Grants for the relief of poverty | - | 3,000 | 3,000 |
| Grants for education, including ministry training | - | 3,000 | 3,000 |
| | <u>-</u> | <u>8,517</u> | <u>8,517</u> |

The charity's principal grants to institutions comprised:

| | 2022 £ | 2021 £ |
|---|--------------|-----------|
| Fellowship of Independent Evangelical Churches (FIEC) | 2,400 | - |
| Acts 29 | 3,090 | - |
| Grants to institutions for less than £1,000 each | 1,200 | - |
| | <u>6,690</u> | <u>-</u> |

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration

| | 2022 £ | 2021 £ |
|---------------------------|----------------|----------------|
| Gross wages and salaries | 293,547 | 201,377 |
| Social security | 23,137 | 14,803 |
| Pension costs | 17,613 | 12,043 |
| Other employment benefits | 502 | 85 |
| | <u>334,799</u> | <u>228,308</u> |

The average monthly number of employees during the year was 11 (2021: 9). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

| | Wages & salaries | Other employment benefits | Employer pension contributions | 2022 £ |
|---------------------------------|------------------|---------------------------|--------------------------------|----------------|
| Trustees: | | | | |
| S Robinson | 39,270 | | 2,356 | 41,626 |
| A Wood | 31,750 | | 1,905 | 33,655 |
| J Walsh | 33,660 | | 2,020 | 35,680 |
| N Forsythe | 28,343 | | 1,701 | 30,044 |
| Other members of key management | | | | - |
| | | | | <u>141,005</u> |

The following amounts were payable in the previous year:

| | Wages & salaries | Other employment benefits | Employer pension contributions | 2021 £ |
|---------------------------------|------------------|---------------------------|--------------------------------|----------------|
| Trustees: | | | | |
| S Robinson | 39,270 | | 2,356 | 41,626 |
| A Wood | 27,500 | | 1,650 | 29,150 |
| J Walsh | 33,660 | | 2,020 | 35,680 |
| N Forsythe | 20,349 | | 1,221 | 21,570 |
| Other members of key management | | | | - |
| | | | | <u>128,026</u> |

The above trustees served as church leaders and operational staff and received the above payments for serving in that capacity, not for serving as trustees; these payments are permitted by the charity's governing document.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

8 Tangible fixed assets

| | Freehold Property £ | Freehold Improvements £ | Assets under construction £ | Fixtures, fittings and equipment £ | Total 2022 £ |
|---------------------------------|---------------------------|-------------------------------|--------------------------------------|---|--------------------|
| Cost | | | | | |
| At 1 August 2021 | 545,000 | 11,555 | 10,147 | 5,130 | 571,832 |
| Additions | | 228,737 | 39,208 | | 267,945 |
| At 31 July 2022 | <u>545,000</u> | <u>240,291</u> | <u>49,355</u> | <u>5,130</u> | <u>839,776</u> |
| Accumulated depreciation | | | | | |
| At 1 August 2021 | 50,900 | 770 | - | 513 | 52,183 |
| Charge for the year | 10,900 | 20,419 | - | 1,026 | 32,345 |
| At 31 July 2022 | <u>61,800</u> | <u>21,189</u> | <u>-</u> | <u>1,539</u> | <u>84,528</u> |
| Net book value | | | | | |
| At 31 July 2022 | <u>483,200</u> | <u>219,102</u> | <u>49,355</u> | <u>3,591</u> | <u>755,248</u> |
| At 31 July 2021 | <u>494,100</u> | <u>9,376</u> | <u>5,130</u> | <u>571,319</u> | <u>519,648</u> |

Freehold improvement additions include £22,388 of donated fixed assets being a short term heating system for Dovedale Road. Assets under construction represents expenditure spent on the future development of Dovedale Road. Depreciation will not be charged on this asset until the renovation work is complete.

9 Debtors

| | 2022 £ | 2021 £ |
|-------------------------------------|---------------|---------------|
| Falling due within one year: | | |
| Tax recoverable | 6,778 | 12,037 |
| Other debtors | 2,588 | |
| Prepayments and accrued income | 10,717 | 2,415 |
| Total debtors | <u>20,083</u> | <u>14,453</u> |

10 Cash at Bank and in Hand

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|----------------|
| Cash at bank with immediate access | <u>179,632</u> | <u>343,284</u> |
| | <u>179,632</u> | <u>343,284</u> |

11 Creditors: liabilities falling due within one year

| | 2022 £ | 2021 £ |
|-------------------|--------------|--------------|
| Accruals | 7,680 | 5,146 |
| Grant obligations | | 1,800 |
| | <u>7,680</u> | <u>6,946</u> |

12 Pension commitments

During the year employer's pension contributions totalling £17,613 (2021: £12,043) were payable to defined contribution personal pension schemes. Pension contributions of £2,197 (2021: £1,575) were owing at the balance sheet date.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

13 Funds

During the year the movements in the charity's funds were as follows:

| | Opening balance 2022 £ | Incoming resources 2022 £ | Outgoing resources 2022 £ | Transfers in the year 2022 £ | Gains and losses 2022 £ | Closing balance 2022 £ |
|-----------------------------------|---------------------------------|------------------------------------|------------------------------------|---------------------------------------|----------------------------------|---------------------------------|
| <i>Designated Funds</i> | | | | | | |
| Sabbatical Fund | 1,720 | - | - | 1,800 | - | 3,520 |
| Wirral Building Repair Fund | 6,414 | - | - | (6,414) | - | - |
| Giving fund | 16,762 | - | (9,017) | (7,745) | - | - |
| Contingency Fund | 10,000 | - | - | - | - | 10,000 |
| Crosslands Fund | 45 | - | - | (45) | - | - |
| Weekend away | - | 3,150 | (2,760) | - | - | 390 |
| | <u>34,940</u> | <u>3,150</u> | <u>(11,777)</u> | <u>(12,403)</u> | <u>-</u> | <u>13,910</u> |
| <i>General Unrestricted Funds</i> | <u>548,584</u> | <u>383,187</u> | <u>(382,266)</u> | <u>235,856</u> | <u>-</u> | <u>785,361</u> |
| Total Unrestricted Funds | <u><u>583,524</u></u> | <u><u>386,337</u></u> | <u><u>(394,043)</u></u> | <u><u>223,453</u></u> | <u><u>-</u></u> | <u><u>799,271</u></u> |
| <i>Restricted Funds</i> | | | | | | |
| Staff Worker Funding | - | 35,625 | (19,375) | - | - | 16,250 |
| Dovedale Building fund | 248,091 | 65,634 | (8,423) | (243,568) | - | 61,734 |
| Church plant residency | 20,000 | 18,140 | (27,273) | 12,745 | - | 23,612 |
| Wirral Building Repair Fund | - | 3,275 | (3,400) | 10,886 | - | 10,761 |
| Rooted Church Plant | 2,100 | - | - | (2,100) | - | - |
| Hope Church Kensington | 12,059 | 35,660 | (18,741) | - | - | 28,978 |
| Liberti Church outreach fund | 548 | - | (548) | - | - | - |
| Cornerstone Wirral | 1,461 | 701 | (701) | (1,461) | - | - |
| Cornerstone Liverpool | 405 | - | (405) | - | - | - |
| Crosslands Fund | - | 9,250 | (4,843) | 45 | - | 4,452 |
| Acts 29 Fund | - | 13,873 | (13,179) | - | - | 694 |
| Room hire Deposits | 1,100 | 100 | - | - | - | 1,200 |
| Little Pebbles Liverpool | 1,000 | 215 | (1,033) | - | - | 182 |
| Holding Fund | 150 | - | - | - | - | 150 |
| | <u>286,914</u> | <u>182,473</u> | <u>(97,922)</u> | <u>(223,453)</u> | <u>-</u> | <u>148,012</u> |
| Aggregate of funds | <u><u>870,438</u></u> | <u><u>568,810</u></u> | <u><u>(491,965)</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>947,283</u></u> |

The transfers referred to above were made for the following reasons:

- From Dovedale Building Fund to General Fund to recognise capitalised expenditure on the Dovedale building.
- From Designated Wirral Building Repairs fund to Restricted Wirral Building Repairs fund as the majority of the funds received or transferred in this year are restricted and this is also likely to be the case in the future.
- From Rooted Church Plant to Wirral Building Repairs fund as the Rooted church plant closed in 2020. Permission was granted by the original donors.
- From Cornerstone Wirral to Wirral Building Repairs fund to combine the 2 funds to be used in the church's area of greatest financial need.
- From general funds to the Sabbatical Fund, the Giving Fund, Wirral Building Repairs and the Church Plant Residency fund to set money aside for these purposes.
- From the Giving Fund to the Church Plant Residency fund to combine designated funds for giving and church plant residency, as the general aim is for giving to be to support church planting.
- From the Wirral Building Repairs fund to the Dovedale Building fund to reflect historic balances in this fund which actually related to Dovedale.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

| | <u>Unrestricted Funds</u> | | | 2022 £ |
|---------------------------------------|---------------------------|--------------------------|--------------------------|----------------|
| | General funds £ | Designated funds £ | Restricted funds £ | |
| Tangible fixed assets | 755,248 | - | - | 755,248 |
| Debtors | 18,150 | 595 | 1,338 | 20,083 |
| Cash at bank and in hand | 19,643 | 13,315 | 146,675 | 179,632 |
| Creditors falling due within one year | (7,680) | - | - | (7,680) |
| | <u>785,361</u> | <u>13,910</u> | <u>148,012</u> | <u>947,283</u> |

In the previous year the movements in the charity's funds were as follows:

| | Opening balance 2021 £ | Incoming resources 2021 £ | Outgoing resources 2021 £ | Transfers in the year 2021 £ | Gains and losses 2021 £ | Closing balance 2021 £ |
|-----------------------------------|---------------------------------|------------------------------------|------------------------------------|---------------------------------------|----------------------------------|---------------------------------|
| <i>Designated Funds</i> | | | | | | |
| Sabbatical Fund | 3,800 | - | (3,280) | 1,200 | - | 1,720 |
| Wirral Building Repair Fund | 1,639 | 7,005 | - | (2,230) | - | 6,414 |
| Crosslands Fund | 45 | - | - | - | - | 45 |
| Giving fund | 15,557 | - | (1,617) | 2,822 | - | 16,762 |
| Contingency Fund | 10,000 | - | - | - | - | 10,000 |
| | <u>31,040</u> | <u>7,005</u> | <u>(4,897)</u> | <u>1,792</u> | <u>-</u> | <u>34,940</u> |
| <i>General Unrestricted Funds</i> | <u>522,677</u> | <u>307,503</u> | <u>(301,505)</u> | <u>19,910</u> | <u>-</u> | <u>548,584</u> |
| Total Unrestricted Funds | <u>553,717</u> | <u>314,508</u> | <u>(306,402)</u> | <u>21,702</u> | <u>-</u> | <u>583,524</u> |
| <i>Restricted Funds</i> | | | | | | |
| Staff Worker Funding | - | 5,000 | (5,000) | - | - | - |
| Dovedale Building fund | 34,971 | 260,027 | (25,205) | (21,702) | - | 248,091 |
| Rooted Church Plant | 2,100 | - | - | - | - | 2,100 |
| Room hire Deposits | 1,100 | - | - | - | - | 1,100 |
| Church plant residency | 20,000 | - | - | - | - | 20,000 |
| Liberti Church outreach fund | 548 | - | - | - | - | 548 |
| Holding Fund | 150 | - | - | - | - | 150 |
| Cornerstone Wirral | 795 | 6,111 | (5,445) | - | - | 1,461 |
| Cornerstone Liverpool | - | 2,231 | (1,826) | - | - | 405 |
| Hope Church Kensington | - | 16,146 | (4,087) | - | - | 12,059 |
| Little Pebbles Liverpool | - | 1,000 | - | - | - | 1,000 |
| | <u>59,664</u> | <u>290,515</u> | <u>(41,564)</u> | <u>(21,702)</u> | <u>-</u> | <u>286,914</u> |
| Aggregate of funds | <u>613,381</u> | <u>605,023</u> | <u>(347,966)</u> | <u>-</u> | <u>-</u> | <u>870,438</u> |

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

The transfers referred to above were made for the following reasons:

- a) The maintenance of a Sabbatical Fund, a Building Repair Fund, a Giving Fund and a Contingency Fund by setting aside regular monthly amounts from the General Fund as requested by the trustees.
- b) The transfer from Designated to General Fund of the cost of the boiler which has been capitalised in the accounts. Depreciation will be charged to the General Fund.
- c) The transfer from Dovedale Building fund to General Fund represents capitalised expenditure on improvements to the Dovedale Building and on the ongoing renovation project both of which fulfil the restrictions of this fund.

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

| | Unrestricted Funds | | | 2021 £ |
|---------------------------------------|-----------------------|--------------------------|--------------------------|-----------|
| | General funds £ | Designated funds £ | Restricted funds £ | |
| Tangible fixed assets | 519,648 | | | 519,648 |
| Debtors | 13,905 | 375 | 173 | 14,453 |
| Cash at bank and in hand | 21,977 | 34,565 | 286,741 | 343,284 |
| Creditors falling due within one year | (6,946) | | | (6,946) |
| | 548,584 | 34,940 | 286,914 | 870,438 |

Designated Funds

The Sabbatical Fund is an unrestricted fund designated by the Trustees to allow for future expenditure on a planned sabbatical for the church leaders.

The Wirral Building Repair Fund was an unrestricted fund designated by the Trustees to allow for future expenditure on the Wirral property. All funds are now held in the restricted fund of the same name.

The Giving Fund is an unrestricted fund designated by the Trustees to allow for future christian charitable giving to individuals and organisations, usually with a focus on church planting support

The Contingency Fund is an unrestricted fund designated by the Trustees to allow for future unexpected expenditure.

The Weekend away fund relates to income & expenditure for the Bolder youth weekend away.

Restricted Funds

The Staff Worker Fund is a restricted fund held to receive funds for salary payments.

The Dovedale Building Fund is a restricted fund created to receive and manage the funds raised for the future purchase and renovation of a building for church use. In 2021 Ramilies Road Hall Trust donated the proceeds from the sale of their building to

The Church Plant Residency Fund is a restricted fund created to help finance individuals to train as part of Cornerstone Collective of Churches Church Plant Residency training programme.

The Wirral Building Repair Fund is a restricted fund created to receive and manage funds raised for repairs & maintenance of the church building used by Cornerstone Wirral.

The Rooted Church Plant Fund is a restricted fund created to fund raise for a 2020 Church plant which has now been discontinued.

The Hope Church Kensington Fund is made up of several restricted funds created to hold various donations for projects out of Hope Church.

The Liberti Church Outreach Fund is a restricted fund created to fund evangelistic/outreach work from Liberti Church.

The Cornerstone Wirral Fund is a restricted fund created to hold various donations to Cornerstone Wirral with specific restrictions.

The Cornerstone Liverpool Hampers Fund is a restricted fund for providing Christmas gifts/vouchers to help people in our congregation who are in need.

The Crosslands Fund is a restricted fund to support staff in their Crosslands training.

The Acts29 Fund is for funds donated by Acts 29 GB as a grant for Acts 29 related work undertaken by members of staff at Cornerstone Collective.

The Little Pebbles Liverpool Fund is a restricted fund made up of a grant received for the baby and toddler group - funds restricted for purchasing items to improve the functioning of the Little Pebbles group.

The Holding Fund is a restricted fund created for funds being held towards specific activities e.g. Youth Weekend.

CORNERSTONE COLLECTIVE OF CHURCHES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

14 Transactions with related parties

During the year the charity:

- a) received donations totalling £38,852 (2021: £36,631) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- b) No expenses (2021: £nil) were paid to, or for, the trustees. Reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

15 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

CORNERSTONE COLLECTIVE OF CHURCHES
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 JULY 2022

| | Note | Unrestricted funds | | | | Unrestricted funds | | | |
|--|------|--------------------|-----------------|------------------|----------------|--------------------|---------------|-----------------|----------------|
| | | General | Designated | Restricted | Total | General | Designated | Restricted | Total |
| | | 2022 | 2022 | 2022 | 2022 | 2021 | 2021 | 2021 | 2021 |
| | | £ | £ | £ | £ | £ | £ | £ | |
| INCOME AND ENDOWMENTS FROM: | | | | | | | | | |
| Donations | 3 | 370,742 | - | 181,772 | 552,514 | 299,946 | 7,005 | 290,515 | 597,466 |
| Charitable activities | 4 | - | 3,150 | - | 3,150 | - | - | - | - |
| Other trading activities | 5 | 12,396 | - | - | 12,396 | 7,557 | - | - | 7,557 |
| Other income | | 48 | - | 701 | 750 | - | - | - | - |
| Total income and endowments | | 383,187 | 3,150 | 182,473 | 568,810 | 307,503 | 7,005 | 290,515 | 605,023 |
| EXPENDITURE ON: | | | | | | | | | |
| Charitable activities: | 6 | 382,266 | 11,777 | 97,922 | 491,965 | 301,505 | 4,897 | 41,564 | 347,966 |
| Total Expenditure | | 382,266 | 11,777 | 97,922 | 491,965 | 301,505 | 4,897 | 41,564 | 347,966 |
| Net gains/(losses) on investments | | - | - | - | - | - | - | - | - |
| Net income/(expenditure) | | 921 | (8,627) | 84,551 | 76,845 | 5,997 | 2,108 | 248,951 | 257,057 |
| Transfers between funds | 13 | 235,856 | (12,403) | (223,453) | - | 19,910 | 1,792 | (21,702) | - |
| Net movement in funds | | 236,777 | (21,030) | (138,901) | 76,845 | 25,907 | 3,900 | 227,250 | 257,057 |
| Reconciliation of funds: | | | | | | | | | |
| Total funds brought forward | | 548,584 | 34,940 | 286,914 | 870,438 | 522,677 | 31,040 | 59,664 | 613,381 |
| Total funds carried forward | 13 | 785,361 | 13,910 | 148,012 | 947,283 | 548,584 | 34,940 | 286,914 | 870,438 |

CORNERSTONE COLLECTIVE OF CHURCHES

England & Wales - Charity number 1152099

Accounts

Cornerstone Collective of Churches

(formerly Cornerstone Church, Liverpool)

Report and Accounts
Year ended 31 July 2021

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

**CORNERSTONE COLLECTIVE OF CHURCHES
(FORMERLY CORNERSTONE CHURCH, LIVERPOOL)**

FOR THE YEAR ENDED 31 JULY 2021

COMPANY INFORMATION

Directors/Trustees

A Craig
N Forsythe
D Heybourn
L Horne
J Lockyer (resigned 14 March 2022)
M Newberry
S Robinson
A Taylor
J Walsh
A Wood

Governing Document

Memorandum and Articles dated 6 July 2012
as amended by Special Resolution on 10 October 2012

Company Registration Number

08133846

Charity Registration Number

1152099

Registered Office

Cornerstone Church
Dovedale Road
Liverpool
Merseyside L18 1DW

Independent Examiner

Lisa Darby ACA
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Bankers

HSBC Bank plc
Nat West Bank Plc

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**CORNERSTONE COLLECTIVE OF CHURCHES
(FORMERLY CORNERSTONE CHURCH, LIVERPOOL)
TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 JULY 2021

The trustees, who are the charity's directors for the purposes of company law, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity:

The charity is a charitable company and is governed by its memorandum and articles of association. The objects of the charity, as set out in the governing document are:

1. To advance the Christian faith through the public preaching of the gospel
2. To demonstrate the Christian faith through the training of men and women for Church leadership, parent/carer and baby/toddler groups, teaching and training of children and young people, involvement in community activities; including the planting of local gospel communities and planting churches.
3. In accordance with the Statement of Beliefs in the areas of Liverpool, Merseyside and in such parts of the United Kingdom and the wider world as the trustees may from time to time see fit.

Government:

Responsibility for setting policy and for making operating decisions rests with the trustees who meet regularly to monitor the activities of the charity. New trustees are recruited and appointed by the existing trustees, by a majority vote.

Review of Activities:

In planning the activities, the Trustees have considered the guidance on public benefit issued by the Charity Commission.

This report is founded in the realities of operating a charity which runs churches during one of the most unusual times we have ever faced as an organisation, a country and even as a world. The continued challenges of the Covid-19 pandemic for this financial year cannot be ignored as this report is composed, but amazingly the organisation is able to demonstrate much positivity from its operations within this year.

In the last 12 months we have seen membership across our churches remain fairly stable, with a relatively small reduction from 274 to 254. Considering the massive upheaval which has been brought about by Covid-19, we are grateful that the majority of our members and congregations have stayed with us through this time, and that as we look beyond July 31st 2021, we are seeing an uplift in congregants and engagement in our churches. The biggest change in our churches this year has been the launch of Hope Church, Kensington, which started meeting on Easter Sunday 2021. The fact that we have been able to plant a new church during a pandemic is wonderful and is a clear reminder to all those involved in the churches and the charity that we can still tangibly see God building His Church through the work of Cornerstone Collective of Churches.

In addition to the wider church focus areas, we have also continued to prioritise the work the churches have been doing with children and young people in our church communities throughout this financial year. Across the churches there are regularly upwards of 80 children aged 11 and under who, pre-pandemic, regularly participated in 'Kids' Church' (time spent teaching children about God and the Bible, as well as building relationships with each other) on Sunday mornings, alongside the main church services. Older children and young people have a weekly group available to them where they gather socially and to study the Bible, with extra social events on occasion as well. For significant periods of this financial year these activities could not operate in person, but leaders and volunteers utilised well the online options to continue to work to fulfil the aims of the charity. Once restrictions were lifted enough in late Spring for all our churches to operate in person, risk assessed activities with our children and young people resumed in ways which were as 'Covid-safe' as possible, whilst increasing engagement once again. At the close of the financial year these groups were buoyant in number and enthusiasm, with a range of exciting plans in place for the following year. In addition to these Bible-based settings we also run parent/carer and baby/pre-school sessions on a weekly basis which are

designed to welcome people into the Liverpool and Wirral churches for a time of support for the adults, and stimulation and learning through play for the children. These have always been extremely popular, and therefore in the autumn of 2020 we began to re-open these groups, albeit in a more limited fashion due to Covid restrictions, but one which still allowed for one of the core areas of the objectives of Cornerstone Collective of Churches to be met.

One of the main ways in which we fulfil our first objective as a charity, to advance the Christian faith by the public preaching of the gospel, is through Church Planting. On 4th April 2021 we were able to publicly launch gatherings of Hope Church in Kensington, Liverpool. A team of 18 people were sent from the congregation of Cornerstone Church Liverpool to set up a church in Kensington and this has been a massive blessing to both the local community and the people involved in the church. Already there have been a good number of local people joining the church for its meetings on Sundays and activities in the week, and plans were being made for further outreach and fellowship activities as the next financial year started.

As many of the activities that would take place in Cornerstone Collective and its churches were significantly restricted in 2020-2021, we took time during the year to plan how we hoped to meet our aims and objectives in future years, both related to changes 'post-Covid' and longer term as well. This meant further development of our Cornerstone Collective Training and Coaching focus areas to enable growth of the gospel across Merseyside and beyond. Included in this is the Church Plant Residency programme which prepares future pastors for planting/revitalising/replanting churches, and at the close of this financial year we are excited to be taking on our next Church Plant Resident to train and explore opportunities in North Liverpool in the Autumn of 2021. Additionally, we had success in applying to funds from the FIEC to support the salary of a new Assistant Pastor in Training in Cornerstone Church Wirral, with the grant of £30,000 due to be received in September 2021 to support this position. These wonderfully encouraging steps forward illustrate how blessed we are as an organisation in being in a position to expand our church operations further across Merseyside.

In our last financial year, we reported that we had managed to secure the purchase of a new building for Cornerstone Church Liverpool. This amazing building has become the new home for the Liverpool congregation since re-opening in April 2021, and it has been fantastic to see life breathed back into it. It is Grade II listed and in a very poor state of repair, so the past 12 months have been focused on getting the building usable for the short term, as well as developing plans for a longer-term full renovation to bring it back to its original glory with modern day functionality added in. We were blessed with the gifting of the proceeds of the sale of the building which Cornerstone Church Liverpool used to meet in from the Ramilies Road Hall Trust before the trust was merged into Cornerstone Collective of Churches. These proceeds have been budgeted for repairs and future-proofing works on the building, alongside a generous £20,000 grant from Allchurches Trust 'Growing Lives' fund. This latter grant focused on repairing and restoring the hall at the back of the main building for use by our Kids' Church, Youth and 'Little Pebbles' baby/toddler activities and it has been so encouraging to see so many children and their families excited by using this new space. As the financial year closes, the longer-term plans for the building are beginning to take shape, alongside plans for future fund-raising to support the restoration, so there are lots more exciting days ahead!

Despite ongoing challenges our churches and organisation faced during this year as a result of Covid-19, we ended the financial year on 31st July 2021 with a small financial surplus (aside from the gift of building sale proceeds) which is fantastic, and as a Christian organisation we thank God for this. This position enables us to reinvest in the charity and plan for the future in a healthy, stable financial position.

Charity law requires us as Trustees in the role of the Directors of the Charity to prepare financial statements for the accounting year 2020-2021 which gives a true and fair view of the state of the Charity, specifically in terms of its income and expenditure for the year. This includes us:

1. Selecting suitable accounting policies and applying them consistently
2. Making judgements and estimates that are reasonable and prudent
3. Stating whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts

4. Preparing the financial statements on a 'going concern' basis unless it is inappropriate to presume that the charity will continue in business
5. Being aware that we are responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and which enable us to ensure that the financial statements comply with the Companies Act 2006.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud.

Financial Review

Despite the upheaval and uncertainty of the background of the financial year in terms of Covid-19, the financial functioning of Cornerstone Collective of Churches has remained stable.

Towards the latter end of 2019-2020 we completed on the purchase of a new building for Cornerstone Church Liverpool, resulting increased priority being placed on selling the previous building the church had met in on Ramilies Road. This sale completed on 14 May 2021, with the trustees of Ramilies Road Hall subsequently gifting the proceeds totalling £225,000. These funds were restricted for use in the extensive and necessary repairs to the new building, and the plans for these continued throughout the financial year. Additionally, grants were received in December 2020 (£20,000) and April 2021 (£11,550) from AllchurchesTrust for use in specific aspects of the renovation of the building (the back hall and making services available during the Covid-19 pandemic respectively). Along with other smaller deposits from the Listed Places of Worship Grant Scheme and backdated claiming of Gift Aid the fund had a very valuable amount to make a good start on the necessary works. At the close of the year there was still a significant sum available, and this has been budgeted for separately to the general income/expenditure needs moving forward.

A further area in which the organisation has been financial blessed has been financial support received for the planting and running of Hope Church in Kensington, Liverpool. Many regular financial supporters have stepped in to support this church, as well as significant one-off donations from two other sources in this financial year as well. These larger donors were made up of £5000 from an anonymous donation via CAF and £6509.04 from a church organisation in the USA which supports church planting (The Church of Eleven22), as well as further significant donations due to be received in 2021-2022. These funds have been put to use in employing the Pastor of the new church and all of its associated costs, for use in community engagement and social justice projects, as well as some being kept aside for use in the subsequent financial year.

These aspects aside, the finances of the general functioning of the organisation have been managed well, especially in light of the restrictions on our operations resulting from Covid-19. The (general operating) expenditure of 2020-2021 was £306,402, with the income being £314,508. We did notice a drop in income during parts of the year, and this fed into the decision to utilise the Government furlough scheme for short periods of time during the year where complete lockdowns were in place. For a small number of staff, it was decided to put them on part or full-time furlough as the operations of the organisation and churches couldn't continue at full capacity during lockdowns, and we were risking our salary expenditure exceeding the live income if we hadn't had utilised the furlough scheme. As soon as we were allowed to operate in-person however, we resumed normal financial operations without the furlough scheme. Looking at the broader income and expenditure of the charity, and including all restricted funds received and expenditure from these, the income was £605,023 and the expenditure was £347,966. The significant difference in the general finances when compared to the total income and expenditure levels is a result of various restricted donations received, particularly that of the gift of the proceeds of the sale of the building owned by Ramilies Road Hall Trust, where Cornerstone Church Liverpool used to meet. The restricted funds have had budgets produced, alongside the general budget, for 2021-2022 to ensure that the donations are used in accordance with Charity Law and to aid the charity to meet its charitable objectives.

Moving into 2021-2022, we are still operating in with the effects and uncertainty of Covid-19, and our financial prudence will need to continue as a result, especially as our plans include an expansion of our staffing. Our general operating budget for 2021-2022 totals £400,427.32, and this reflects increased costs associated with running a much larger and older building, a new member of staff taken on during 2020-2021, a new role for

another member of staff with an increased salary as a result, and two new members of staff in the new financial year. These additional members of staff have been part-funded by external grants and donors. The new Pastor for Hope Church brought financial supporters on board to fund his salary, the new Assistant Pastor in Training for Cornerstone Church Wirral gained a grant of £30,000 to be used over two years from FIEC and the new Church Plant Resident at Cornerstone Church Liverpool has £10,000 of the Church Planting fund from FIEC and a donation of £15,000 from Orrell Park Baptist Church being used to form his salary. All of these additions to our financial planning, as well as the general running costs of the organisation and its churches, and the planned renovations necessary for the Cornerstone Liverpool building go to formulate the extensive budgets for this year. With this in mind, we remain determined as trustees that none of the significant financial undertakings distract us from the charitable aims and objectives of the charity – to spread the Gospel of Jesus Christ and the Salvation he offers across Merseyside, and we remain truly thankful to God for his financial provision and protection of His churches. The unrestricted surplus the charity was left with at the end of 2012-2021 will be reinvested in the charity to ensure that meeting the charitable aims and objectives continue to be our focus. We have committed to continuing in these endeavours and financially we will work hard to allow this to continue with growth of the existing churches, as well as planting new ones.

As a result of the purchase of the Cornerstone Church Liverpool building in July 2020 the value of the fixed assets land and buildings owned by Cornerstone Collective of Churches has depreciated to £494,100.00 as of 31st July 2021. Additionally, at the close of the financial year on 31st July 2021, the charity had a total of £94,009.32 and £249,274.70 in its two bank accounts, creating the total net assets to be £870,438. The bank account totals contained significant amounts of restricted funds (over £286,000 as of 31st July 2021) for areas such as the renovation of the Dovedale Road building, and the grant for church planters. The remaining bank account assets are available for our ongoing operational and investment in the charity costs, as well as providing a necessary contingency fund.

We are thankful to God for his provision, and we hope and pray that the next 12 months will be even more fruitful and productive as we continue to share the Gospel, plant Churches and move forward with our charitable aims and objectives.

Reserves Policy

The charity recognises its responsibility to pursue a healthy financial position to help safeguard the aims of the charity and its staff. Finances are regulated on a monthly basis and the Cornerstone Collective of Churches budget considers how we can grow our reserve to ensure our long-term financial health and sustainability.

Due to the nature of the charity and its aims, it is not unexpected that from time to time the Cornerstone Collective of Churches might function with a deficit. However, at any given time, and whenever possible, it will endeavour to hold three months of salary payments (equivalent to approximately £60,000 as of 31st July 2021 when including employer pension and NI contributions) in the bank as a financial reserve as a means to comply with the Code of Governance for Charities and IPC's (Guideline 6.3.1). This is incorporated into our contingency fund, which is identified clearly and reviewed regularly. Restricted funds are not considered, except to the extent that they are available to fund salary costs (£20,112.64 including employer pension and NI contributions as of 31 July 2021).

The level of unrestricted general cash reserves as of 31st July 2021 was around £56,000. After analysing existing funds, cash flow (with income from regular givers remaining broadly stable) and forecasting expenditure based on planned activities, Cornerstone Collective of Churches considered this to be an appropriate reserve at the end of the financial year. It is broadly in line with the three months of salary payments, as well as being significantly more robust as an unrestricted financial reserve than in other past years. This is reviewed on an annual basis, as well as being adjusted when new staff are first employed to ensure that there is capacity to increase the cash reserves over time should this be required in order for the charity to comply with Guideline 6.3.1 mentioned earlier. The Restricted Fund cash reserves were around £286,000 as of 31st July 2021.

When it is not possible to maintain our financial reserve to the agreed levels, Cornerstone Collective of Churches is committed to taking sensible steps with the Elders and staff to ensure that the Collective of Churches continues with its charitable aims, whilst also demonstrating the appropriate financial restraint. In these

instances, the regular income and regular expenditure is a key consideration, and the reserve would be used in the following way:

1. Fulfilling current obligations (bills and fixed operational costs)
2. Payment of Staff Salaries

Due to the nature of the Cornerstone Collective of Churches' activities it is possible to reduce other monthly expenditure quickly, but it must be noted that this would influence the ability of the churches to fulfil their vision and charitable aims.

The Cornerstone Collective of Churches is also committed to increasing its regular income on a consistent basis, particularly as the Collective of Churches grows (numerically in individual churches as well as in the total number of churches in the Collective), but it also reserves its right as a 'faith-based charity' to trust God for such financial provision. The demographic of the Cornerstone Collective of Churches membership and our various partnerships should also add another layer of confidence if the financial reserve was breached.

Risk Statement

The Directors have reviewed the risks to which a small charity operating with few employees is exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was **approved by the trustees on 29 March 2022 and signed on their behalf by:**

Matthew Newberry

Matthew Newberry, Chair of Trustees

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
CORNERSTONE COLLECTIVE OF CHURCHES
(‘the Company’)**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2021 on pages 8 to 18 following, which have been prepared on the basis of the accounting policies set out on pages 11 to 12.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Lisa Darby

Lisa Darby ACA
Institute of Chartered Accountants in England and Wales
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 11 April 2022

CORNERSTONE COLLECTIVE OF CHURCHES
(FORMERLY CORNERSTONE CHURCH, LIVERPOOL)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021
SUMMARY INCOME AND EXPENDITURE ACCOUNT

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|------------------------------------|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 3 | 306,951 | 290,515 | 597,466 | 281,926 |
| Other trading activities | | 7,557 | - | 7,557 | 7,421 |
| <hr/> | | | | | |
| Total income and endowments | | 314,508 | 290,515 | 605,023 | 289,347 |
| EXPENDITURE ON | | | | | |
| Charitable activities | 4 | 306,402 | 41,564 | 347,966 | 271,074 |
| <hr/> | | | | | |
| Total expenditure | | 306,402 | 41,564 | 347,966 | 271,074 |
| <hr/> | | | | | |
| Net income/(expenditure) | | 8,105 | 248,951 | 257,057 | 18,273 |
| Transfers between funds | | 21,702 | (21,702) | - | - |
| | | 29,807 | 227,250 | 257,057 | 18,273 |
| <hr/> | | | | | |
| Net movement in funds | | 29,807 | 227,250 | 257,057 | 18,273 |
| <hr/> | | | | | |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 10 | 553,717 | 59,664 | 613,381 | 595,108 |
| <hr/> | | | | | |
| Total funds carried forward | | 583,524 | 286,914 | 870,438 | 613,381 |

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

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account

The notes on page 11 - 17 form part of these accounts.

CORNERSTONE COLLECTIVE OF CHURCHES
(FORMERLY CORNERSTONE CHURCH, LIVERPOOL)
BALANCE SHEET

FOR THE YEAR ENDED 31 JULY 2021

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total funds 2021 £ | Total funds 2020 £ |
|---|------|----------------------------|--------------------------|--------------------------|--------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 6 | 519,648 | - | 519,648 | 505,000 |
| CURRENT ASSETS | | | | | |
| Debtors | 7 | 14,279 | 173 | 14,452 | 22,015 |
| Cash at bank & in hand | 8 | 56,543 | 286,741 | 343,284 | 93,791 |
| | | <u>70,822</u> | <u>286,914</u> | <u>357,736</u> | <u>115,806</u> |
| CURRENT LIABILITIES | | | | | |
| Liabilities falling due within one year | 9 | 6,946 | - | 6,946 | 7,425 |
| Net Current Assets | | <u>63,876</u> | <u>286,914</u> | <u>350,790</u> | <u>108,381</u> |
| NET ASSETS | | <u>583,524</u> | <u>286,914</u> | <u>870,438</u> | <u>613,381</u> |
| FUND BALANCES | | | | | |
| Unrestricted funds | 10 | | | | |
| General Funds | | 548,584 | | 548,584 | 522,677 |
| Designated funds | | 34,940 | | 34,940 | 31,040 |
| Restricted Funds | 10 | | 286,914 | 286,914 | 59,664 |
| | | <u>583,524</u> | <u>286,914</u> | <u>870,438</u> | <u>613,381</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2021 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 29 March 2022 and were signed on its behalf by:

Matthew Newberry

Matthew Newberry

Company number: 08133846 Charity number: 1152099

The notes on page 11 - 17 form part of these accounts.

CORNERSTONE COLLECTIVE OF CHURCHES
(FORMERLY CORNERSTONE CHURCH, LIVERPOOL)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021

| | Total funds 2021 £ | Total funds 2020 £ | Note |
|---|-----------------------------|-----------------------------|------|
| Cash flows from operating activities: | | | |
| Net cash provided by (used in) operating activities | <u>276,324</u> | <u>32,341</u> | a |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | | |
| Proceeds from the sale of property, plant and equipment | | | |
| Purchase of property, plant and equipment | (26,832) | (145,000) | |
| Proceeds from sale of investments | | | |
| Purchase of investments | | | |
| Net cash provided by (used in) investing activities | <u>(26,832)</u> | <u>(145,000)</u> | |
| | | | |
| Change in cash and cash equivalents in the reporting period | 249,493 | (112,659) | |
| Cash and cash equivalents at the beginning of the reporting period | <u>93,791</u> | <u>206,450</u> | b |
| | | | |
| Cash and cash equivalents at the end of the reporting period | <u>343,284</u> | <u>93,791</u> | b |

Note a: Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | 2021 £ | 2020 £ |
|---|----------------|---------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | 257,057 | 18,273 |
| Adjustments for: | | |
| Depreciation charges | 12,183 | 8,000 |
| (Increase)/decrease in debtors | 7,562 | 5,783 |
| Increase/(decrease) in creditors | (479) | 285 |
| Net cash provided by (used in) operating activities | <u>276,324</u> | <u>32,341</u> |

Note b: Analysis of cash and cash equivalents

| | 2021 £ | 2020 £ |
|--|----------------|---------------|
| Cash in hand | 343,284 | 93,791 |
| Notice deposits (less than 3 months) | | |
| Overdraft facility repayable on demand | | |
| Total cash and cash equivalents | <u>343,284</u> | <u>93,791</u> |

CORNERSTONE COLLECTIVE OF CHURCHES
(FORMERLY CORNERSTONE CHURCH, LIVERPOOL)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2021

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

The charity changed its name from the Cornerstone Church, Liverpool to the Cornerstone Collective of Churches on the 10th September 2018.

On 18th May 2021 Ramilies Road Hall Trust was merged into the charity.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. In making this assessment the trustees have considered the impact of Covid-19 and have concluded that its impact on net income will not be material. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from the hiring of the hall.

The charity has relied significantly upon volunteers in carrying out its activities during the year. In accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The Charities SORP requires charities with income over £500,000 to allocate costs to the various activities undertaken by the charity. The nature of the work of the church is considered to be so integrated that the core charitable activity costs are considered to be for the one activity.

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Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Fixed assets and depreciation

Fixed assets acquired for use by the charity are capitalised and depreciated over their estimated useful life unless they cost less than £2,000 when they are written off on purchase.

Depreciation periods are as follows:

| | |
|-----------------------|---------------|
| Freehold property | Over 50 years |
| Freehold improvements | Over 5 years |
| Equipment & Fixtures | Over 5 years |

e) Pension costs:

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

f) Taxation

The company is a registered charity and is exempt from taxation under the Income & Corporation Taxes Acts.

g) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

3 Voluntary income

| | Total 2021 £ | Total 2020 £ |
|-------------------------------|--------------------|--------------------|
| Donations of cash and similar | 507,215 | 226,224 |
| Job Retention Scheme grants | 10,092 | - |
| Other grants receivable | 34,550 | 20,000 |
| Income tax recoverable | 45,609 | 35,702 |
| | 597,466 | 281,926 |

4 Charitable activity

a Direct Charitable Costs

| | Total 2021 £ | Total 2020 £ |
|---------------------------|--------------------|--------------------|
| Pastoral expenses | 3,308 | 4,396 |
| Staff funding | 228,223 | 188,880 |
| Training and conferences | 13,601 | 10,512 |
| Travel | 1,466 | 4,119 |
| Property | 37,167 | 11,794 |
| Room hire | 5,680 | 3,229 |
| IT and equipment | 13,248 | 8,215 |
| 10 year celebration costs | - | 6,373 |
| Other direct costs | 838 | 2,732 |
| Depreciation | 12,183 | 8,000 |
| Outreach | 2,200 | 1,319 |
| Grants payable | 8,517 | 7,044 |
| | 326,431 | 256,612 |

b Support & Administration

| | £ | £ |
|--|----------------|----------------|
| Governance costs | 2,640 | 2,400 |
| Legal and Professional Fees | 4,985 | 6,995 |
| Office costs | 6,415 | 3,546 |
| Insurance | 7,496 | 1,520 |
| | 21,536 | 14,461 |
| Combined charitable activity cost | 347,966 | 271,074 |

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The fee payable to the independent examiner for preparing and examining the accounts was £2,640 (2020: £2,400); in addition the charity paid £1,197 (2020: £1,032) to Stewardship for payroll bureau and consultancy services.

| c Grants | Institutions | Individuals | 2021 | 2020 |
|--------------------|--------------|--------------|--------------|--------------|
| | £ | £ | £ | £ |
| Missionary support | - | 2,517 | 2,517 | 7,000 |
| Relief of poverty | - | 3,000 | 3,000 | 44 |
| Educational grants | - | 3,000 | 3,000 | - |
| | - | <u>8,517</u> | <u>8,517</u> | <u>7,044</u> |

5 Analysis of staff costs, cost of key management personnel and trustee remuneration and expenses

| | 2021 | 2020 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Gross wages and salaries | 201,377 | 167,485 |
| Social security | 14,803 | 11,315 |
| Pension costs | 12,043 | 10,080 |
| Other employment benefits | - | - |
| | <u>228,223</u> | <u>188,880</u> |

The average monthly number of employees during the year was 6.5 (2020: 6). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management are the trustees named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

| | Wages & salaries | Other employment benefits | Employer pension contributions | 2021 |
|------------|------------------|---------------------------|--------------------------------|----------------|
| | | | | £ |
| Trustees: | | | | |
| S Robinson | 39,270 | - | 2,356 | 41,626 |
| A Wood | 27,500 | - | 1,650 | 29,150 |
| J Walsh | 33,660 | - | 2,020 | 35,680 |
| N Forsythe | 20,349 | - | 1,221 | 21,570 |
| | | | | <u>128,027</u> |

The following amounts were payable in the previous year:

| | Wages & salaries | Other employment benefits | Employer pension contributions | 2020 |
|------------|------------------|---------------------------|--------------------------------|----------------|
| | | | | £ |
| Trustees: | | | | |
| S Robinson | 38,702 | - | 2,322 | 41,025 |
| M Newberry | 17,325 | - | 1,040 | 18,365 |
| J Walsh | 33,120 | - | 1,987 | 35,107 |
| N Forsythe | 17,618 | - | 1,057 | 18,675 |
| | | | | <u>113,172</u> |

The above trustees served as church leaders and operational staff and received the above payments for serving in that capacity, not for serving as trustees; these payments are permitted by the charity's governing document.

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| 6 Tangible Fixed Assets | Land & Buildings | Freehold improvements | Assets under construction | Equipment & fixtures | Total |
|--------------------------------|---------------------|--------------------------|------------------------------|-------------------------|----------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1/8/2020 | 545,000 | - | - | - | 545,000 |
| Additions | - | 11,555 | 10,147 | 5,130 | 26,832 |
| At 31/07/2021 | <u>545,000</u> | <u>11,555</u> | <u>10,147</u> | <u>5,130</u> | <u>571,832</u> |
| Accumulated Depreciation | | | | | |
| At 1/8/2020 | 40,000 | - | - | - | 40,000 |
| Charge for the year | 10,900 | 770 | - | 513 | 12,183 |
| At 31/07/2021 | <u>50,900</u> | <u>770</u> | <u>-</u> | <u>513</u> | <u>52,183</u> |
| Net book value | | | | | |
| At 31/07/2021 | <u>494,100</u> | <u>10,785</u> | <u>10,147</u> | <u>4,617</u> | <u>519,648</u> |
| At 1/8/2020 | <u>505,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>505,000</u> |

Assets under construction represents expenditure spent on the future development of Dovedale Road. Depreciation will not be charged on this asset until the renovation work is complete.

| 7 Debtors and Prepayments | 2021 £ | 2020 £ |
|----------------------------------|---------------|---------------|
| Tax recoverable | 12,037 | 18,908 |
| Prepayments | 2,415 | 3,107 |
| | <u>14,452</u> | <u>22,015</u> |

| 8 Cash at Bank and in Hand | 2021 £ | 2020 £ |
|-----------------------------------|----------------|---------------|
| Bank operating accounts | 343,284 | 93,791 |
| | <u>343,284</u> | <u>93,791</u> |

| 9 Creditors: liabilities falling due within one year | 2021 £ | 2020 £ |
|---|--------------|--------------|
| Constructive grant obligations | 1,800 | 2,400 |
| Accruals | 5,146 | 5,025 |
| | <u>6,946</u> | <u>7,425</u> |

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10 Funds

| 2020/21 | Opening balance £ | Incoming resources £ | Outgoing resources £ | Transfers in the year £ | 2021 Closing balance £ |
|---------------------------------|-------------------------|----------------------------|----------------------------|-------------------------------|---------------------------------|
| Designated Funds | | | | | |
| Sabbatical Fund | 3,800 | - | 3,280 | 1,200 | 1,720 |
| Building Repair Fund | 1,639 | 7,005 | - | (2,230) | 6,414 |
| Crosslands Fund | 45 | - | - | - | 45 |
| | | | | | - |
| Giving fund | 15,557 | - | 1,617 | 2,822 | 16,762 |
| Contingency Fund | 10,000 | - | - | - | 10,000 |
| | 31,040 | 7,005 | 4,897 | 1,792 | 34,940 |
| General Funds | 522,677 | 307,503 | 301,505 | 19,910 | 548,584 |
| Total Unrestricted Funds | 553,717 | 314,508 | 306,402 | 21,702 | 583,524 |
| Restricted Funds | | | | | |
| Staff Worker Funding | - | 5,000 | 5,000 | - | - |
| Dovedale Building fund | 34,971 | 260,027 | 25,205 | (21,702) | 248,091 |
| Rooted Church Plant | 2,100 | - | - | - | 2,100 |
| Room hire Deposits | 1,100 | - | - | - | 1,100 |
| Church plant residency | 20,000 | - | - | - | 20,000 |
| Liberti Church outreach fund | 548 | - | - | - | 548 |
| Holding Fund | 150 | - | - | - | 150 |
| Cornerstone Wirral | 795 | 6,111 | 5,445 | - | 1,461 |
| Cornerstone Liverpool hampers | - | 2,231 | 1,826 | - | 405 |
| Hope Church Kensington | - | 16,146 | 4,087 | - | 12,059 |
| Little Pebbles Liverpool | - | 1,000 | - | - | 1,000 |
| | 59,664 | 290,515 | 41,564 | (21,702) | 286,914 |
| Aggregate of funds | 613,381 | 605,023 | 347,966 | - | 870,438 |

The transfers referred to above were made for the following reasons:

- a) The maintenance of a Sabbatical Fund, a Building Repair Fund, a Giving Fund and a Contingency Fund by setting aside regular monthly amounts from the General Fund as requested by the trustees.
- b) The transfer from Designated to General Fund of the cost of the boiler which has been capitalised in the accounts. Depreciation will be charged to the General Fund.
- c) The transfer from Dovedale Building fund to General Fund represents capitalised expenditure on improvements to the Dovedale Building and on the ongoing renovation project both of which fulfil the restrictions of this fund.

The assets and liabilities represented by the various funds are as follows:

| 2020/21 | Unrestricted Funds | | Restricted Funds 2021 £ | Total Funds 2021 £ |
|------------------------|--------------------|------------|----------------------------------|-----------------------------|
| | General | Designated | | |
| | 2021 £ | 2021 £ | | |
| Tangible assets | 519,648 | - | - | 519,648 |
| Cash at bank & in hand | 21,977 | 34,565 | 286,741 | 343,284 |
| Other net assets | 6,958 | 375 | 173 | 7,506 |
| | 548,584 | 34,940 | 286,914 | 870,438 |

CORNERSTONE COLLECTIVE OF CHURCHES
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FOR THE YEAR ENDED 31 JULY 2021

In the previous year the movements in the charity's funds were as follows:

| 2019/20 | Opening balance £ | Incoming resources £ | Outgoing resources £ | Transfers in the year £ | 2020 Closing balance £ |
|---------------------------------|-------------------------|----------------------------|----------------------------|-------------------------------|---------------------------------|
| Designated Funds | | | | | |
| Sabbatical Fund | 1,000 | - | - | 2,800 | 3,800 |
| Building Repair Fund | 1,500 | 2,750 | 4,611 | 2,000 | 1,639 |
| Crosslands Fund | 860 | - | 815 | - | 45 |
| Giving fund | 8,561 | 40 | 7,044 | 14,000 | 15,557 |
| Contingency Fund | - | - | - | 10,000 | 10,000 |
| | <u>11,921</u> | <u>2,790</u> | <u>12,471</u> | <u>28,800</u> | <u>31,040</u> |
| General Funds | 386,477 | 259,327 | 239,327 | 116,200 | 522,677 |
| Total Unrestricted Funds | <u>398,398</u> | <u>262,117</u> | <u>251,798</u> | <u>145,000</u> | <u>553,717</u> |
| Restricted Funds | | | | | |
| Staff Worker Funding | 15,000 | - | 15,000 | - | - |
| Dovedale Building fund | 178,510 | 5,080 | 3,619 | (145,000) | 34,971 |
| Rooted Church Plant | 2,100 | - | - | - | 2,100 |
| Room hire Deposits | 1,100 | - | - | - | 1,100 |
| Church plant residency | - | 20,000 | - | - | 20,000 |
| Liberti Church outreach fund | - | 1,000 | 452 | - | 548 |
| Holding Fund | - | 150 | - | - | 150 |
| Cornerstone Wirral | - | 1,000 | 205 | - | 795 |
| | <u>196,710</u> | <u>27,230</u> | <u>19,275</u> | <u>(145,000)</u> | <u>59,664</u> |
| Aggregate of funds | <u>595,107</u> | <u>289,347</u> | <u>271,073</u> | <u>-</u> | <u>613,381</u> |

The transfers referred to above were made for the following reasons:

- a) The maintenance of a Sabbatical Fund, a Building Repair Fund, a Giving Fund and a Contingency Fund by setting aside regular monthly amounts from the General Fund as requested by the trustees.
- b) The purchase of a building on Dovedale Road from restricted funds held for this purpose has resulted in the transfer of the value of this asset to General Funds.

The assets and liabilities represented by the various funds are as follows:

| 2019/20 | Inrestricted Funds | | Restricted Funds | Total Funds |
|------------------------|--------------------|---------------|---------------------|----------------|
| | General | Designated | | |
| | 2020 £ | 2020 £ | | |
| Tangible assets | 505,000 | - | - | 505,000 |
| Cash at bank & in hand | 16,087 | 31,040 | 46,664 | 93,791 |
| Other net assets | 1,590 | - | 13,000 | 14,590 |
| | <u>522,677</u> | <u>31,040</u> | <u>59,664</u> | <u>613,381</u> |

Designated Funds

The Sabbatical Fund is an unrestricted fund designated by the Trustees to allow for future expenditure on a planned sabbatical for the church leaders.

The Building Repair Fund is an unrestricted fund designated by the Trustees to allow for future expenditure on properties owned by Cornerstone Collective.

The Crosslands Fund is an unrestricted fund designated by the Trustees to allow for future expenditure on Interns training at Crosslands.

The Giving Fund is an unrestricted fund designated by the Trustees to allow for future christian charitable giving to individuals and organisations.

The Contingency Fund is an unrestricted fund designated by the Trustees to allow for future unexpected expenditure

The Staff Worker Fund is a restricted fund held to receive funds and make payments to the staff.

CORNERSTONE COLLECTIVE OF CHURCHES
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Restricted Funds

The Dovedale Building Fund is a restricted fund created to receive and manage the funds raised for the future purchase and renovation of a building for church use. In 2021 Ramilies Road Hall Trust donated the proceeds from the sale of their building to the fund.

The Rooted Church Plant Fund is a restricted fund created to fund raise for a 2020 Church plant.

The Church Plant Residency Fund is a restricted fund created to help finance individuals to train as part of Cornerstone Collective of Churches Church Plant Residency training programme.

The Liberti Church Outreach Fund is a restricted fund created to fund evangelistic/outreach work from Liberti Church.

The Holding Fund is a restricted fund created for funds being held towards specific activities e.g. Youth Weekend.

The Cornerstone Wirral Fund is a restricted fund created to hold various donations to Cornerstone Wirral with specific restrictions.

The Cornerstone Liverpool Hampers Fund is a restricted fund for providing Christmas gifts/vouchers to help people in our congregation who are in need.

The Hope Church Kensington Fund is a restricted fund created to hold various donations to Hope Church with the specific restriction that the donations are to be used to allow Hope Church to function as a church in Kensington.

The Little Pebbles Liverpool Fund is a restricted fund made up of a grant received for the baby and toddler group - funds restricted for purchasing items to improve the functioning of the Little Pebbles group.

11 Transactions with related parties

During the year the charity:

- a) received donations totalling £36,631 (2020: £38,748) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).

Reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

12 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

CORNERSTONE COLLECTIVE OF CHURCHES
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DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 JULY 2021

| | Note | Unrestricted Funds | | Restricted | Total | Unrestricted Funds | | Restricted | Total |
|------------------------------------|------|--------------------|---------------|----------------|----------------|--------------------|----------------|---------------|----------------|
| | | General | Designated | Funds | Funds | General | Designated | Funds | Funds |
| | | 2021 | 2021 | 2021 | 2021 | 2020 | 2020 | 2020 | 2020 |
| | | £ | £ | £ | £ | £ | £ | £ | £ |
| INCOME AND ENDOWMENTS FROM | | | | | | | | | |
| Donations and legacies | 3 | 299,946 | 7,005 | 290,515 | 597,466 | 251,906 | 2,790 | 27,230 | 281,926 |
| Other trading activities | | 7,557 | - | - | 7,557 | 7,421 | - | - | 7,421 |
| Total income and endowments | | 307,503 | 7,005 | 290,515 | 605,023 | 259,327 | 2,790 | 27,230 | 289,347 |
| EXPENDITURE ON | | | | | | | | | |
| Charitable activities | 4 | 301,505 | 4,897 | 41,564 | 347,966 | 239,327 | 12,471 | 19,276 | 271,074 |
| Raising funds | | - | - | - | - | - | - | - | - |
| Total expenditure | | 301,505 | 4,897 | 41,564 | 347,966 | 239,327 | 12,471 | 19,276 | 271,074 |
| Net income/(expenditure) | | 5,997 | 2,108 | 248,951 | 257,057 | 20,000 | (9,681) | 7,954 | 18,273 |
| Transfers between funds | | 19,910 | 1,792 | (21,702) | - | 116,200 | 28,800 | (145,000) | - |
| | | 25,907 | 3,900 | 227,250 | 257,057 | 136,200 | 19,119 | (137,046) | 18,273 |
| Reconciliation of funds: | | | | | | | | | |
| Total funds brought forward | 10 | 522,677 | 31,040 | 59,664 | 613,381 | 386,477 | 11,921 | 196,710 | 595,108 |
| Total funds carried forward | | 548,584 | 34,940 | 286,914 | 870,438 | 522,677 | 31,040 | 59,664 | 613,381 |

Movements on reserves and all recognised gains and losses are shown above.