

Cornerstone Collective of Churches

Report and Accounts
Year ended 31 July 2024

Stewardship 
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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 positively 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 15:19 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
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		484,742	222,006	706,749	639,777
EXPENDITURE ON:					
Charitable activities	6	527,086	171,665	698,751	624,638
Total expenditure		527,086	171,665	698,751	624,638
Net income/(expenditure)		(42,344)	50,342	7,998	15,140
Transfers between funds	14	87,817	(87,817)	-	-
Net movement in funds		45,473	(37,475)	7,998	15,140
Reconciliation of funds:					
Total funds brought forward		814,893	147,530	962,423	947,283
Total funds carried forward	14	860,366	110,055	970,421	962,423

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	14				
Unrestricted Funds					
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		<u>-</u>	<u>110,055</u>	<u>110,055</u>	<u>147,530</u>
		<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 09:09 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:			
<i>Net cash provided by/(used in) operating activities</i>	a	<u>107,076</u>	<u>98,011</u>
Cash flows from investing activities:			
Purchase of property, plant and equipment		(127,332)	(81,606)
<i>Net cash provided by/(used in) investing activities</i>		<u>(127,332)</u>	<u>(81,606)</u>
<i>Change in cash and equivalents in the reporting period</i>		(20,256)	16,405
Cash and equivalents at the beginning of the year	b	<u>196,037</u>	<u>179,632</u>
<i>Cash and cash equivalents at the end of the year</i>	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 £
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	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)
<i>Net cash provided by (used in) operating activities</i>	<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	26,545	10,966
	<u>26,545</u>	<u>10,966</u>
Donated fixed assets	34,819	-
	<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
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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
	<u>39,700</u>	<u>35,907</u>

5 Income from other trading activities

	2024	2023
	£	£
Room hire	18,860	21,564
	<u>18,860</u>	<u>21,564</u>

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
	<u>645,264</u>	<u>586,700</u>
Grants payable (note 6c)	22,937	16,143
	<u>668,202</u>	<u>602,842</u>
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
	<u>30,550</u>	<u>21,795</u>
Total expenditure	<u>698,751</u>	<u>624,638</u>

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
	<u>21,880</u>	<u>1,057</u>	<u>22,937</u>

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
	<u>12,865</u>	<u>3,278</u>	<u>16,143</u>

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	<u>10</u>	<u>-</u>
	<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
	13,176	195	(1,347)	4,800	16,824
<i>General Unrestricted Funds</i>	801,717	484,547	(525,739)	83,017	843,542
Total Unrestricted Funds	814,893	484,742	(527,086)	87,817	860,366
<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
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
	147,530	222,006	(171,665)	(87,817)	110,055
Aggregate of funds	962,423	706,749	(698,751)	-	970,421

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

- From general funds to the designated Sabbatical Fund & the Liverpool Building Maintenance fund to set money aside for these purposes.
- From Dovedale Building Fund to General Fund to recognise capitalised expenditure on the Dovedale building.
- From General to the Wirral Building Repairs and Grimké Europe Project restricted funds to contribute to expenditure in these areas.
- 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>		Restricted funds	2024
	General funds	Designated 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	Incoming resources	Outgoing resources	Transfers in the year	Closing balance
	2023	2023	2023	2023	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>	<u>785,361</u>	<u>426,698</u>	<u>(462,123)</u>	<u>51,781</u>	<u>801,717</u>
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

Note