

**Freedom Church Liverpool
Financial statements
for the year ended 31 March 2021**

Page	Contents
2 – 8	Directors' (Trustees') annual report
9	Independent Examiner's report
10	Statement of financial activities (including the income and expenditure account)
11	Balance Sheet
12-19	Notes to the accounts

Freedom Church Liverpool Trustees Report (incorporating the Directors' report) for the year ended 31 March 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements for the year ended 31 March 2021. The company was incorporated on 4 April 2014 and is a private limited company limited by guarantee.

Full name Freedom Church Liverpool Limited

Company number 08980158
Registered charity number 1161463

Registered address

Freedom Church Liverpool
178 Queens Drive Liverpool L15 6XX

Directors (Trustees)	Position	Appointed	
Chris Clifton-Brown	Chair of Trustees	4 April	2014
Becky Ashworth	Trustee/Secretary	4 April	2014
Ken Brew	Trustee/Treasurer	4 April	2014
Helen Taft	Trustee	21 January	2019
Barry Cooper	Trustee	13 June	2019

Bankers

HSBC
23 Allerton Road
Mossley Hill
Liverpool L18 2DA

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Independent Examiner

Ben Priestley
8 Yew Tree Gardens,
Harrogate HG2 9JU

Freedom Church Liverpool Trustees Report (continued) for the year ended 31 March 2021

Structure, Governance and Management

Freedom Church Liverpool Limited was formed on 4 April 2014 and this is the fifth annual report of the company.

The company carries on the activities of Freedom Church Liverpool which began its ministry in September 2013. The company was registered as a charity (Reg. No. 1161463) on 28 April 2015.

Freedom Church Liverpool is now recognised as a new church, under the strategic guidance of New Ground Churches (Reg. No. 1121110).

Objectives and Activities

Our company's two charitable purposes, as set out in the objects, contained in the Company's Memorandum of Association are as follows: -

To advance the Christian faith in accordance with our Statement of Beliefs in Liverpool and in such other parts of the UK and the world as the trustees may from time to time see fit.

The relief and or prevention of poverty in Liverpool and in such other parts of the UK and the world as the trustees may from time to time see fit.

Our normal activities to advance the Christian faith and to relieve poverty include: -

- The main weekly worship meeting each Sunday morning.
- Mid-week life-group meetings for bible study and fellowship.
- Monthly prayer meeting
- Special events for evangelism and teaching
- Social action projects

Public benefit

In a normal year, our regular Sunday morning and our programme of special events are open to the public and are usually free of charge. However, 2020-21 was not a normal year, because of the pandemic, so most of our public engagements were achieved on-line.

The trustees have regard to the Charity Commission's general guidance on Public Benefit when reviewing the aims and objectives and in planning the future activities. The trustees consider carefully how planned activities will contribute to the aims and objectives that have been listed above.

Freedom Church Liverpool Trustees Report (continued) for the year ended 31 March 2021

Review of 2020-21

We were very grateful to take advantage of the furlough scheme in respect of our Debt Advisor while the lockdowns continued.

From mid-March 2020 the nation and indeed the entire world was gripped by the COVID 19 pandemic and as a result amazingly our church did not fully assemble at any point in 2020-21. When our trustees met on 31 March 2020, in the initial shock period, we resolved not to make any major changes to our organisation and to trust that God would sustain us. In the event our decision proved to be the correct one but none of us could have foreseen the extent of the disruption to our normal activities. We are amazed to report that over the full year our donation income was sustained and although a few church members contracted the disease, everyone recovered well.

During March 2020 we were running a highly successful Alpha course but the second half of this had to be deferred until June 2020 when it was eventually completed online. When the course resumed, we were even able to welcome a new delegate who was resident in Oman.

Our staff team had to work quite hard to replicate all our normal activities online. People became familiar with the operation of Zoom meetings and later we transferred our Sunday mornings services to be broadcast each week on YouTube. The worship leaders and preachers prepared their materials in front of a camera at home and then we made them available at the appointed time in the week. Our midweek Life Groups continued to meet virtually via Zoom and busy key workers shared their lives with others who were quietly self-isolating. This provided important social contact and psychological and spiritual support to us all.

Eventually several musicians from different household were able to play together; and for the second half of the year, we began to broadcast from "The Barn," a building owned by one of our church members, which was turned into a temporary TV studio each Sunday.

The results of all our efforts are still available online and we found that we were able to reach a wider audience through the broadcast. For a period one of our Life Groups even had a new member, who was a resident of Texas, USA! The recordings were accessed almost four hundred times in the busiest weeks, especially for the Christmas special.

Through the year we had six permanent employees and an extra temporary employee who assisted with the preparation of content for broadcasts. Our Debt Advisor was the only one who needed to be on furlough, the others were fully occupied in transforming the way that we worked and in preparing three lots of content for the main church

meetings, and for youth and children's work. One of our trustees is a part-time employee, and several of our employees are connected to trustees, as explained in Note 9 of the attached accounts.

Freedom Church Liverpool Trustees Report (continued) for the year ended 31 March 2021

Projects to relieve poverty

Baby Basics

During 2020-21 we have developed the Basic Basics project, despite the restrictions of the pandemic, using the template developed by Baby Basics UK (Reg. No. 1168099). Our project has provided 197 baskets this year to impoverished and vulnerable women. These baskets really do provide for the most essential needs to care for a new-born baby including a Moses basket, baby clothes, nappies and toiletries for mother and baby. The beneficiaries are identified by the local midwives who provide antenatal care, and the beneficiaries include women in hostels, victims of domestic violence and asylum seekers.

Our project team receive and act on referrals from midwives and representatives from other local charities, donating appropriate items, laundering clothes and blankets, and preparing baskets for collection and delivery. Most of our team of volunteers had to shield, others were home schooling, and we like so many had to suddenly implement strict protocols to ensure minimal community transmission for ourselves and those we support.

A significant impact of COVID 19 that we felt almost immediately was upon our resources. We normally rely on donated goods from our supporters, but the supply stopped completely because of the lockdowns. We were very relieved therefore to receive additional grant-funding which enabled us to buy in essential items to distribute.

Someone Cares

Early in 2019 we had launched a new initiative, Someone Cares, at Alder Hey, the local children's hospital. This project has been constrained this year because the hospital has necessarily restricted all visitor access throughout the year. Nevertheless we have been able to supply some resources.

**Freedom Church Liverpool
Trustees Report (continued)
for the year ended 31 March 2021**

Projects to relieve poverty (cont.)

CMA Freedom Debt Advice

During 2020-21, which would have been our first full year of operations we received 24 client referrals of which 13 became clients and 2 people received one-off advice. 31 client appointments were conducted resulting in 1 Debt Relief Order (DRO) which wrote off £5,885 of personal debt. Another client was supported as they made a payment arrangement to prevent action by High Court bailiffs.

Our part-time member of staff was placed on furlough between March and September 2020 and then on partial furlough (50%) between January 2021 and March 2021. Despite this, our first volunteer was trained up and began work towards the end of the year.

CMA Freedom Debt Advice provided agency which enabled one client to receive a grant of £600 (from another charity) to improve their poor living conditions.

We are grateful to Frontline church for providing the project with a “rent free” consulting room and office support. We intend to train additional volunteers as we expect demand for this service to increase in future.

The Trustees’ wish to record our thanks to our major Grant funders, Rathbone Investment Management, the Community Foundation and the Arm Trust for their generosity.

**Freedom Church Liverpool
Trustees Report (continued)
for the year ended 31 March 2021**

Review of 2020-21 (cont.)

Any potential conflicts of interest have been managed during the year by ensuring that all issues affecting the terms and conditions of each individual employee were discussed and voted on by those trustees who were not connected to that individual.

Our Academy was suspended between March and September 2020, and it resumed online and at half speed for the second half of the year. We hope to be able to relaunch it during 2021-22.

We have continued to support other charities and some individuals by making donations to them. We made gifts totalling £18,960 (£8,700,46%) from Restricted funds to 9 UK charities. The two largest gifts account for 56% and were used to combat the effects of the pandemic and to advance the Gospel in Moldova and Zimbabwe. In addition, we gave just over £1,400 to 4 individuals (£895,74% to 2 individuals) from restricted funds.

Reserves Policy and Financial Review

There were three main sources of income for Freedom Church Liverpool during the year: -

- Donations from church members
- Charitable grants for specific projects
- Gift Aid income recovered from HMRC

To enable Freedom Church Liverpool to meet its financial responsibilities, and to survive fluctuations in its finances, the Trustees have agreed to keep enough level of financial reserves to ensure that main operations could continue for a period of 6 months. This puts our target reserves at around £50,000 in normal times. We currently hold £47,434 in reserves.

We have been actively looking to purchase new premises in Liverpool, but we have not yet located a suitable venue. In recognition of this the Trustees transferred £50,000 to a designated Building Fund during March 2021.

**Freedom Church Liverpool
Trustees Report (continued)
for the year ended 31 March 2021**

Exemptions

The trustees have taken advantage of the exemptions available to small companies, including the audit exemption (see statement on balance sheet).

Responsibilities of the trustees

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the of the charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the trustees are required to: select suitable accounting policies, as described on page 11, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable.

The members of the Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity, and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Small company provisions:

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the charity's trustees:

Signed _____ Date _____

Freedom Church Liverpool
Independent examiner's report to the trustees of
for the year ended 31 March 2021

I report on the accounts of the charity, which are set out on pages 8 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- follow the procedures laid down in the general directions given by the Charity Commissioners under section 145(5)(b) of the Charities Act; and
- state whether matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view,' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

2. to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts to be reached.

Signed _____ Date _____
Ben Priestley

Freedom Church Liverpool
Statement of Financial Activities
(Incorporating the income and expenditure account)
for the year ended 31st March 2021

		2021	2021	2021	2020	2020	2020
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Note	Funds	Funds	Funds	Funds	Funds	Funds
		£	£	£	£	£	£
Incoming resources							
Voluntary Income	2 & 8	109,019	9,199	118,218	105,073	3,841	108,914
Fundraising income		0	15,921	15,921	0	20,000	20,000
Investment Income		42	0	42	144	0	144
Other trading activities		550	0	550	4,235	0	4,235
Funds held for third parties		0	964	964	0	0	0
Total incoming resources		109,611	26,084	135,695	109,452	23,841	133,293
Resources expended							
Fundraising costs		(534)	0	(534)	(89)	0	(89)
Cost of charitable activities	3 & 7	(91,630)	(24,520)	(116,150)	(100,759)	(12,842)	(113,601)
Funds to third parties		0	(964)	(964)	0	0	0
Total resources expended		(92,164)	(25,484)	(117,648)	(100,848)	(12,842)	(113,690)
Net income/(expenditure)		17,447	600	18,047	8,604	10,999	19,603
Transfers between funds		(560)	560	0	0	0	0
Balance brought forward		84,773	10,999	95,772	76,169	0	76,169
Balance carried forward		101,660	12,159	113,819	84,773	10,999	95,772

All the activities of the charitable company are classed as continuing.

Freedom Church Liverpool

Balance sheet as at 31 March 2021

	Note	£	2021 £	2020 £
Fixed Assets	4		2,468	1,723
Current assets				
Debtors	5	3,856		4,095
Cash at bank and in hand		<u>107,724</u>		<u>94,327</u>
Total current assets		111,580		98,422
Liabilities				
Creditors: amounts falling due within one year	6	<u>(229)</u>		<u>(4,373)</u>
Net current assets			111,351	94,049
Net assets			<u>113,819</u>	<u>95,772</u>
The funds of the charity				
Opening balance				
Unrestricted income funds			47,434	84,773
Designated funds			54,226	0
Restricted income funds			<u>12,159</u>	<u>10,999</u>
Total funds			<u>113,819</u>	<u>95,772</u>

Exemption from audit

For the year ending 31 March 2021, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Responsibilities of directors/trustees:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small company's regime.

The trustees declare that they have approved the accounts above.

Signed on behalf of the charity's trustees:

Signed _____
Chris Clifton-Brown, Director

Dated _____

Freedom Church Liverpool

Notes to the accounts

for the year ended 31 March 2021

1. Accounting policies

Basis of the preparation of the accounts

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 FRS 102 and with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS102) and with the Charities Act 2011.

Freedom Church Limited constitutes a public benefit entity as defined by FRS 102. All assets and liabilities are initially recognised at historic cost or transaction value. No restatement was required for comparative figures when applying the accounting policies required on the adoption of FRS102.

Incoming resources

All material incoming resources have been included on a receivable basis – i.e., they are included if the date receivable falls within the period covered by these accounts.

Depreciation

Equipment is depreciated at 33.33% on a straight-line basis.

2. Voluntary Income

	2021	2020
	£	£
Cash donations from members	92,052	89,003
Tax refunds	16,967	15,733
Other	0	337
	<u>109,019</u>	<u>105,073</u>

Freedom Church Liverpool
Notes to the accounts
for the year ended 31 March 2021

3. Cost of charitable activities

	Unrestricted	Restricted	Total	Total
	£	£	£	£
Salaries	70,065	5,539	75,604	71,104
Staff travel	0	0	0	629
Other staff costs	554	0	554	622
Hire of premises	0	2,487	2,487	7,942
Evangelism	599	0	599	2,285
Ministry expenses	2,060	0	2,060	3,188
Academy running costs	0	0	0	1,122
Other social action project costs	0	5,752	5,752	1,699
Charitable giving	11,702	8,790	20,492	8,383
Administration expenses	4,704	1,887	6,591	3,158
Equipment	477	0	477	1,197
Depreciation	2,261	0	2,261	1,685
Training and conferences	(792)	65	(727)	4,416
	<u>91,630</u>	<u>24,520</u>	<u>116,150</u>	<u>107,429</u>

Freedom Church Liverpool
Notes to the accounts
for the year ended 31 March 2021 (cont.)

4. Fixed Assets

	Equipment	Total Assets	Total Assets
	2021	2021	2020
	£	£	£
Cost			
Opening balance	7,478	7,478	4,905
Additions	<u>3,006</u>	<u>3,006</u>	<u>2,573</u>
	<u>10,484</u>	<u>10,484</u>	<u>7,478</u>
Depreciation			
Opening balance	(5,755)	(5,755)	(4,070)
Charge for the year	<u>(2,261)</u>	<u>(2,261)</u>	<u>(1,685)</u>
	<u>(8,016)</u>	<u>(8,016)</u>	<u>(5,755)</u>
Net book value (closing)	<u>2,468</u>	<u>2,468</u>	<u>1,723</u>
Net book value (opening)	1,723	1,723	835

5. Debtors

	2021	2020
	£	£
Gift aid due	3,856	4,094
	<u>3,856</u>	<u>4,094</u>

Freedom Church Liverpool
Notes to the accounts (continued)
for the year ended 31 March 2021

6. Creditors: amounts falling due within one year

	<i>2021</i>	<i>2020</i>
	£	£
PAYE and NI	0	3,827
Pension contributions	0	546
Other	<u>229</u>	<u>0</u>
	<u>229</u>	<u>4,373</u>

7. Staff costs and numbers

There were six part-time and one full-time employees at the end of the year,
equivalent to 3.0 (2020 2.8) full time employees with a total cost of £ 73,212 as follows:

	<i>2021</i>	<i>2020</i>
	£	£
Wages and salaries	57,154	54,220
Social security costs	15,344	13,390
Other pension costs	<u>3,102</u>	<u>3,494</u>
	<u>75,600</u>	<u>71,104</u>

Freedom Church Liverpool
Notes to the accounts (continued)
for the year ended 31 March 2021

8. Restricted Funds

A Baby Basics

Baby Basics has developed as a project during the year. We obtained grants and voluntary donations which enabled the project to rent premises and to purchase those resources which were not immediately available from donated goods. During the year we received four grants for this project totalling £9,771.

During the year we distributed 197 (2020: 201) baskets to disadvantaged new mothers nominated by local midwives. We estimate the value of each basket to be around £100. The notional value of the baskets £19,700 has not been included within these accounts.

B CMA Freedom Debt Advice

We obtained grant funding in 2019 which enabled us to employ a part-time debt advisor to provide advice to the Public on managing personal debt. The project is based at Frontline church in Wavertree, Liverpool. Frontline Church has provided some office space rent free for the project. During the year we received two grants for this project totalling £6,150.

During the first full year of the project, we have provided a range of advice and support to a total of thirty-one clients and trained one volunteer worker to provide support to our new member of staff, Mrs Debbie Butland. Unfortunately, our staff have only been available to consult clients during the latter half of the year, because of the pandemic.

C Someone Cares

Last year several of our church members formed a volunteer team to provide prayer support and friendship to families, whose children are patients at Alder Hey children's hospital in Liverpool. This project has been constrained this year because the hospital has necessarily restricted visitor access throughout the year; we have nevertheless still been able to supply some resources.

D Special offerings

We have held two main "special offerings" during the year in response to needs. We provided a gift of £4,400 (raised by church members) via New Ground who were coordinating a response for COVID relief in Zimbabwe. A second offering of £6,260 (£3,260 from church members and the balance

from General funds) was given via Breadline, a UK charity, which assists churches in Moldova.

Freedom Church Liverpool to the accounts (continued) for the year ended 31 March 2021

Restricted Funds (continued)

	A Baby Basics £	B Debt Mgt £	C Someone Cares £	D Special Offerings £	Total £
Balance at 1 April 2020	3,759	6,172	124	943	10,999
Income					
Grant funding	9,771	6,150	0	0	15,921
Donations	240	0	240	8,719	9,199
Transfer from General Fund	0	0	0	562	562
	<u>13,770</u>	<u>12,322</u>	<u>364</u>	<u>10,224</u>	<u>36,680</u>
Expenditure					
Staff costs	0	(5,539)	0	0	(5,539)
Cost of premises	(2,487)	0	0	0	(2,487)
Gifts	0	(90)	0	(8,700)	(8,790)
Training	0	(65)	0	0	(65)
Other resources	(5,794)	(1,568)	(279)		(7,641)
	<u>(8,281)</u>	<u>(7,262)</u>	<u>(279)</u>	<u>(8,700)</u>	<u>(24,522)</u>
Balance at 31 March 2021	<u>5,489</u>	<u>5,060</u>	<u>85</u>	<u>1,524</u>	<u>12,158</u>

**Freedom Church Liverpool
to the accounts (continued)
for the year ended 31 March 2021**

9. Trustees' remuneration, benefits and expenses

Mr Chris Clifton-Brown, the chair of trustees, was employed part-time during the year as the church leader.

Chris Butland, who is a full-time employee and Debbie Butland, our debt advisor are the son-in-law and daughter of one of our trustees, Mr. Ken Brew.

Mr Matt Ashworth, who was employed part-time during the year as a member of the pastoral team, is the husband of Dr Becky Ashworth, who is also a trustee.

During the year Mr Clifton-Brown incurred no expenditure on behalf of the charity and claimed no expenses.

During the year Mr Butland was reimbursed for expenditure incurred by him on behalf of the charity for a total of £1,162 and claimed a further £185 in expenses.

Mrs Butland was reimbursed for expenditure incurred totalling £88 and claimed a further £85 in expenses.

Mr Barry Cooper is a self-employed charity fund raiser, who has a fund raising contract with Freedom Church Liverpool Limited. In 2020-21 he was involved in raising grant funding totalling £15,921 for which he invoiced the charity and was paid a total of £534.

Freedom Church Liverpool

Notes to the accounts

for the year ended 31 March 2021

10. Related party transactions

Other than the items noted in Note 9, there were no related party transactions during the year ending 31 March 2021.

11. Independent Examination

The independent examination was again provided free of charge this year.

12. Movement on Funds

	Unrestricted			Restricted			
	General Fund	Building Fund	Academy	Baby Basics	Debt Advice	Special Offerings	Total
	£		£	£	£	£	£
Balance at 1 April 2020	81,097	0	3,676	3,759	6,172	1,067	95,771
Income							
Donations	109,019	0	0	240	0	8,959	118,218
Grant funding	0	0	0	9,771	6,150	0	15,921
Income earned	0	0	550	0	0	0	550
Investment Income	42	0	0	0	0	0	42
Third Party Income	0	0	0	0	964	0	964
	109,061	0	550	10,011	7,114	8,959	135,695
Expenditure							
Revenue costs	(92,162)	0	0	(8,281)	(7,262)	(8,979)	(116,684)
Third party	0	0	0	0	(964)	0	(964)
	(92,162)	0	0	(8,281)	(8,226)	(8,979)	(117,648)
Transfers	(50,562)	50,000	0	0	0	562	0
Balance at 31 March 2021	47,434	50,000	4,226	5,489	5,060	1,609	113,818