

Charity registration number 1171549

CITY CHURCH BIRMINGHAM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

CITY CHURCH BIRMINGHAM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	T C Hay I Morah D Mullen C Summers H J Thomson S White J James M Senior	(Appointed 20 October 2021)
Charity number	1171549	
Principal address	1 Greenfield Crescent Edgbaston Birmingham B15 3BE	
Independent examiner	CK Audit No 4 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RH	

CITY CHURCH BIRMINGHAM

CONTENTS

	Page
Trustees' report	1 - 5
Independent examiner's report	6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9 - 20

CITY CHURCH BIRMINGHAM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Church's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Church's objects are the advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Birmingham and the surrounding neighbourhood; and other such charitable purposes as shall, in the opinion of the members of the Church in general meeting further the work of the church.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Church should undertake.

The Church supports by providing grants to a wide selection of individuals and organisations involved in a Gospel ministry who have links with the congregation. Grants are considered by the Trustees and voted on by the Church membership in accord with the relevant provisions of the Church Constitution.

Achievements and performance

The Church, which has an average membership of 225 and a regular congregation of 325, holds a series of weekend and midweek activities, and in addition provides financial support to other individuals and organisations involved in Christian mission.

When planning and reviewing the objectives of the activities the Church has given due consideration to the Charity Commission's general guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular, we try to enable ordinary people to live out their faith as part of our church in their local communities.

The Church is committed to serving as a hub church in the Birmingham area: reaching, teaching, discipling and training Christians to carry out Gospel ministry, both in Birmingham and further afield.

The Church welcomes members and attenders from all backgrounds with the aim of ensuring that they do not miss the opportunity to benefit from its ministries. At Christmas we advertise our services to the local community and hold regular guest services designed to be accessible for those who attend church irregularly or perhaps for the first time. Ordinarily, once a month we hold a church lunch after our morning service which has been consistently attended by 150 or so people.

This financial year has been characterised by continuing to experience considerable restrictions due to the covid pandemic. For significant periods of time we were unable to meet in person but livestreamed our services on YouTube. Home groups continued to meet via Zoom, as did our Friday youth and children's meetings and Sunday youth meetings and our student work. A few of our other activities were not able to happen during this time, whereas most adapted to changing regulations and guidelines, meeting either online, outdoors, or at times in person with appropriate mitigations and processes in place.

Having recruited a new lead pastor in the previous year, he was able to join us in October 2020.

CITY CHURCH BIRMINGHAM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

As restrictions began to lift, we were able to meet in person for a season in an Odeon Cinema in the city centre, before eventually returning to our normal venue of the Octagon at Edgbaston High School for Girls in July 2021. Much of our ministry was able to continue in one form or another throughout the year.

The ministries of the Church are overseen by its leadership, and are carried forward both by the Church staff, and by the extensive involvement of volunteers drawn from Church members and other regular attendees. This pattern is seen in all areas of the life of the Church including: leading of midweek Homegroups; the work among students (both from the UK, and from overseas); youth and children's ministries; and men's and women's work.

City Church's children's work includes a Sunday school for children from 0 to 11 years, which has up to 100 in attendance in normal times. Kids Friday, a Friday evening children's club and older counterparts City Youth and City Youth at Home, all staffed entirely by City Church members, provide age-appropriate Bible teaching and a wide range of games and activities open to all, from year 3 to year 13.

The Church attracted on average 70 British undergraduate students mostly from University of Birmingham, but also from three other universities in the city. The ministry to students includes a weekly student meeting after the Sunday evening service, an annual weekend away, regular book-reading groups and one-off socials or seminar evenings. A student hospitality scheme links individual students with families in the Church. This was all conducted on zoom when in person meeting was not possible.

Many international students connect with the church on Sundays, and also through our International Student work, including a weekly meal and discussion time about the Christian faith, open to any international student. Most years, a weekend away is also organised to enable international students to visit other parts of the country and enjoy British hospitality. This year whatever opportunities to meet were taken and the ministry continued online where necessary.

The continued use as a Sunday venue of The Octagon at Edgbaston High School for Girls has proved to be a great asset for the Church, and provides sufficient accommodation for future church growth. Use of The Octagon is carried out under the terms of a licence. We were able to return to that arrangement in July 2021.

The Christmas season took place online, with lots of encouragements. A hospitality scheme was provided for International students offering a Christmas lunch with a church family on Christmas day.

The Church continues to benefit from the acquisition of a church building in Selly Oak for a number of midweek activities. The purchase of the building has significantly improved the quality and quantity of mid-week activities and meetings organised and run by the church. It was also essential as a venue from which to run the livestream whilst everything took place online.

The church continued to run *Christianity Explored* and *Reason for God* courses online for those who are interested in finding out more about the Christian faith, and a weekly Mums 'stay and play' group which has attracted a number of mums and their pre-school children from the local area.

We continue to host student meetings for both International Students and UK undergraduates, and the student ministry continued to thrive when moved online. For many students it was a lifeline during a very challenging university experience.

CITY CHURCH BIRMINGHAM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Throughout the past year City Church has run regular marriage preparation courses. These were able to continue through the use of zoom, when meeting in person was not possible. Men's and Women's breakfasts were paused, and other activities that were harder to run online were reviewed on a case by case basis.

City Church, in conjunction with other churches has continued to facilitate and promote training and development opportunities in particular for leaders of ministries and activities in the church. Examples include *The Midlands Women's Convention*, *Living leadership "Formation" conference*, *Evangelical Ministry Assembly*, *UCCF Student Worker Forum*, *Growing Young Disciples Conference* and a number of more regional conferences run by *Midlands Gospel Partnership*. To the extent to which these have been able to run during the Covid-19 pandemic we have sought to partner with them to facilitate training and development. We have continued to train our ministry teams within the church throughout.

City Church has demonstrated in this past year a continuing commitment to the advancement of the Christian faith through many of the activities outlined above, even amid challenging circumstances. The church has also sought to promote the work of the world-wide church. In particular the church has supported a number of mission partners who have been sent by the church overseas.

During this period the church has worked to strengthen links with other churches in the city. City Church has continued to work as a partner member of the Midlands Gospel Partnership, and as a member of the FIEC.

City Church continues to support the pioneering *2020birmingham* initiative as part of a coalition of Birmingham churches working in partnership to facilitate the launch of new churches in the city. Much of the work over the last year has been informal support of church planters grappling with the challenges of the pandemic. We have also worked to create awareness of the work of Birmingham City Mission, and provided opportunities for members of the church to give to needy individuals and families through a Harvest collection and Christmas toy collection. Again, this year much of that was done online.

Financial review

The financial statements this year have been drawn up on an accruals basis and include a balance sheet and this Report of the Trustees.

Incoming resources for the year were £432,458 (2020 : £460,661). Expenditure for the year was £436,204 (2020 : £455,435). The deficit for the year was £3,746 (2020 surplus : £5,226).

CITY CHURCH BIRMINGHAM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Reserves policy

The Trustees are committed to establishing a level of reserves for General Funds that will cover two months costs, subject to sufficient funding being available to achieve this, while not hampering the ongoing development of the ministry of the Church. The precise level of reserves to be attained will be subject to regular review taking into account levels of activity and prevailing circumstances.

For the purposes of short and medium term financial management, the trustees are concerned more with the management of working capital, and the healthy working capital position is entirely in line with their policy of holding free resources sufficient to fund two months of ongoing unrestricted expenditure to cover the eventuality of a material decline in incoming resources.

The Church's funding principally comes from gifts and donations made by members of the congregation together with associated Gift Aid.

Risk management

The Trustees have examined the major strategic and operational risks which the Church faces and confirm that systems have been established to monitor those risks so that the necessary steps can be taken to lessen them.

The key risks are:

Insufficient funds to enable fulfilment of vision of church: addressed by budgeting and control; monthly financial reporting; and the annual Mission & Ministry Gift Day process that tops up funding levels in response to needs revealed by the annual budget.

Loss of Sunday facilities: addressed by maintaining a good working relationship with the venue.

Plans for future periods

It is anticipated that the Church will continue its activities and overall ministry in very much the same pattern as for the year ended 31 August 2021, The Trustees will review any future ministry opportunities that might present themselves in the light of seeking to fulfil the objectives of the Church.

Structure, governance and management

The Church is a registered charity, affiliated to the Fellowship of the Independent Evangelical Churches (FIEC).

The Governing Document is based on a document developed by FIEC with agreement by the Charity Commission.

The trustees who served during the year and up to the date of signature of the financial statements were:

J Gregory (Resigned 10 August 2021)

T C Hay

R E Iley (Resigned 16 June 2021)

I Morah

D Mullen

N A Powell (Resigned 16 June 2021)

C Summers

H J Thomson

S White

J James

M Senior (Appointed 20 October 2021)

CITY CHURCH BIRMINGHAM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trustees are elected by the members of the Church to serve an initial one year term of office with subsequent three year renewable terms of office. Prospective Trustees are invited to attend a number of Meetings of The Trustees prior to their appointment being proposed to the members. This enables them to be briefed on Trustee level issues, and generally brought up to speed with both the responsibilities of the Trustees and the business of the church.

The church is governed by a leadership team (Trustees) comprising the leaders of the Church. All Trustees are elders of the Church. They meet monthly to set policy and review the activities of the Church.

The decisions of the leaders of the Church are subject to the scrutiny of the members of the Church at regular quarterly meetings of the Church.

Significant financial decisions are taken with the approval of the members of the Church as required by the Church's Governing Documents.

Some of the Pastors are remunerated by the Church for their work. The remuneration of the Pastors is determined in accordance with the Church Constitution, which specifically permits the remuneration of Pastors on a salary scale equivalent to that for secondary school teachers. The remuneration of the Pastors is determined by an independent Remuneration Committee consisting of non-staff Elders, and chaired by an Elder. The remuneration received by Pastors is approved by vote of the members of the Church on the recommendation of the Trustees following their consideration of the findings of the Remuneration Committee. The Pastors do not participate in the determination of the remuneration they receive.

Trustees and Elders of the Church are proposed by the existing Trustees where they have satisfied themselves both of the need for further Trustees, and that the person proposed meets the qualifications set out in the Church Constitution. Following election by the members, training and induction of new Trustees is overseen by the existing Trustees, who may delegate certain elements of the induction process to staff members.

The trustees' report was approved by the Board of Trustees.



D Mullen
trustee

Dated: 27 April 2022

CITY CHURCH BIRMINGHAM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CITY CHURCH BIRMINGHAM

I report to the trustees on my examination of the financial statements of City Church Birmingham (the Church) for the year ended 31 August 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the Church'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 ICAEW, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the Church as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Wendy Davies FCA
CK Audit

No 4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

Dated: 27 April 2022

CITY CHURCH BIRMINGHAM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
Income from:						
Donations and legacies	2	407,570	21,070	428,640	396,719	442,352
Charitable activities	3	3,818	-	3,818	18,304	18,304
Investments	4	-	-	-	5	5
Total income		411,388	21,070	432,458	415,028	460,661
Expenditure on:						
Charitable activities	5	404,498	31,706	436,204	422,146	455,435
Net income/(expenditure) for the year/						
Net movement in funds		6,890	(10,636)	(3,746)	(7,118)	5,226
Fund balances at 1 September 2020		154,219	13,962	168,181	161,337	162,955
Fund balances at 31 August 2021		161,109	3,326	164,435	13,962	168,181

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

All income and expenditure derive from continuing activities.

CITY CHURCH BIRMINGHAM

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		216,395		217,803
Current assets					
Debtors	11	7,145		4,910	
Cash at bank and in hand		56,168		68,011	
		63,313		72,921	
Creditors: amounts falling due within one year	13	(28,290)		(24,371)	
Net current assets			35,023		48,550
Total assets less current liabilities			251,418		266,353
Creditors: amounts falling due after more than one year	14		(86,983)		(98,172)
Net assets			164,435		168,181
Income funds					
Restricted funds	16		3,326		13,962
Unrestricted funds			161,109		154,219
			164,435		168,181

The financial statements were approved by the Trustees on 27 April 2022

D Mullen
Trustee



CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

City Church Birmingham is a Charitable Incorporated Organisation (CIO) registered in England and Wales with the Charity Commission.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Church's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Church is a Public Benefit Entity as defined by FRS 102.

The Church has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Church. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Church has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Church is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Voluntary income by way of grants, donations and gifts is included in full in the Statement of Financial Activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charitable company are recognised when it becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Incoming resources from grants, where related to performance and specific deliverables are accounted for as the charitable company earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the fees of the independent examiner and costs linked to the strategic management of the charitable company.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	nil
Fixtures and machinery	straight line over 3 to 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Freehold Land and Buildings

The church does not depreciate its freehold land and building as it is subject to an ongoing programme of repair and maintenance with the aim of keeping it in good condition, and thus maintaining its value. Given the estimated residual value of the building and the anticipated life a depreciation charge would be immaterial to these financial statements. The carrying value has been considered and no provision for impairment is considered necessary.

Items costing less than £500 are not capitalised but are written off to revenue on purchase.

1.7 Impairment of fixed assets

At each reporting end date, the Church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Church has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Church's balance sheet when the Church becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Church's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Retirement benefits

The church meets the requirements of pensions auto-enrolment legislation by regularly reviewing its staff payroll and ensuring that staff are enrolled or re-enrolled as required and appropriate notifications are sent. The church uses NEST as its auto-enrolment scheme, although some employees opt out and pay into personal pension schemes. The church makes an employer's contribution of 8% of salary into the pension schemes with the exception of the ministry trainees for whom a contribution of 3% of qualifying earnings is offered.

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	338,463	17,724	356,187	322,196	25,996	348,192
Grants	883	-	883	12,429	19,637	32,066
Gift aid	68,224	3,346	71,570	62,094	-	62,094
	<u>407,570</u>	<u>21,070</u>	<u>428,640</u>	<u>396,719</u>	<u>45,633</u>	<u>442,352</u>
Grants receivable for core activities						
Job retention scheme grant	-	-	-	12,429	-	12,429
Briarwood	-	-	-	-	19,637	19,637
Other	883	-	883	-	-	-
	<u>883</u>	<u>-</u>	<u>883</u>	<u>12,429</u>	<u>19,637</u>	<u>32,066</u>

3 Charitable activities

	2021 £	2020 £
Church events	1,452	15,824
Books	45	1,980
Rental income	-	500
Other income	2,321	-
	<u>3,818</u>	<u>18,304</u>

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Investments

	Total	Unrestricted funds
	2021	2020
	£	£
Interest receivable	-	5

5 Charitable activities

	2021	2020
	£	£
Wages and salaries	319,610	262,619
Ministry	6,827	4,370
Other staff costs	25,789	44,827
Church Weekends	-	30,109
Hire of school	8,520	9,952
	<u>360,746</u>	<u>351,877</u>
Grant funding of activities (see note 6)	24,764	50,237
Share of support costs (see note 7)	45,247	48,655
Share of governance costs (see note 7)	5,447	4,666
	<u>436,204</u>	<u>455,435</u>
Analysis by fund		
Unrestricted funds	404,498	422,146
Restricted funds	31,706	33,289
	<u>436,204</u>	<u>455,435</u>

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

6 Grants payable

	2021 £	2020 £
Grants to institutions (12 grants):		
Birmingham City Mission	2,100	2,760
Operation Mobilisation	4,800	4,800
Interserve	3,600	3,600
Agape	2,880	3,120
Church central	-	9,426
FIEC	5,484	5,484
Azadi trust	-	6,284
Gifts of less than £1,000 each	4,460	8,210
2020 Birmingham	-	3,927
	<u>23,324</u>	<u>47,611</u>
Grants to individuals (1 grants)	1,440	2,626
	<u>24,764</u>	<u>50,237</u>

-

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Depreciation	4,260	-	4,260	3,724	-	3,724
Admin expenses	6,284	-	6,284	3,890	-	3,890
Building costs	26,689	-	26,689	32,395	-	32,395
Communications	4,230	-	4,230	6,346	-	6,346
Equipment costs	3,784	-	3,784	2,301	-	2,301
Legal and professional	-	3,035	3,035	-	1,336	1,336
Trustee meeting expenses	-	252	252	-	1,229	1,229
Independent Examiner (External auditor's) fee	-	2,160	2,160	-	2,100	2,100
	<u>45,247</u>	<u>5,447</u>	<u>50,694</u>	<u>48,656</u>	<u>4,665</u>	<u>53,321</u>
Analysed between Charitable activities	<u>45,247</u>	<u>5,447</u>	<u>50,694</u>	<u>48,655</u>	<u>4,666</u>	<u>53,321</u>

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Trustees

The following Trustees (2020: four) received remuneration in their capacity as Lead Pastor/ Associate Pastor/ Assistant Pastor/ Pastoral Worker totalling £114,883, (2020 £91,638) This was in line with the provisions in the Governing Documents of the charity.

					2021	2020
			Salary	Pension	Total	Total
			£	£	£	£
J James	Lead Pastor		35,021	3,056	38,077	-
J Gregory	Church Pastor		28,087	2,574	30,661	32,719
T C Hay	Families Worker		25,775	2,062	27,837	27,092
N A Powell	Church Pastor		-	-	-	12,907
C Summers	Assistant Pastor		17,328	2,490	19,818	18,920
			106,211	10,182	116,393	91,638

There was no material period of time where the remunerated Trustees represented more than 50% of all Trustees in post.

In addition to his remuneration and employers pension contribution, and as part of his overall remuneration package, C Summers received £13,800 (2020 £13,800) in respect of a lease back arrangement/service occupancy agreement on his accommodation. This arrangement commenced on 1st November 2017, and was subject of clearance by HM Revenue & Customs.

During the year a redundancy payment of £5,440 was made to J Gregory.

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total in Post	14	13
Total	14	13

Employment costs	2021 £	2020 £
Wages and salaries	257,924	228,578
Social security costs	29,922	16,453
Other pension costs	31,764	17,588
	319,610	262,619

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Employees

(Continued)

There were no employees whose annual remuneration was more than £60,000.

10 Tangible fixed assets

	Freehold land and buildings £	Fixtures and machinery £	Total £
Cost			
At 1 September 2020	210,000	12,600	222,600
Additions	-	2,851	2,851
At 31 August 2021	210,000	15,451	225,451
Depreciation and impairment			
At 1 September 2020	-	4,797	4,797
Depreciation charged in the year	-	4,259	4,259
At 31 August 2021	-	9,056	9,056
Carrying amount			
At 31 August 2021	210,000	6,395	216,395
At 31 August 2020	210,000	7,803	217,803

The Freehold Property at 25-29 Tiverton Road was acquired on 11 August 2011 for £210,000.

All fixed assets are held for charitable purposes.

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	6,416	4,910
Prepayments and accrued income	729	-
	<u>7,145</u>	<u>4,910</u>

12 Loans and overdrafts

	2021 £	2020 £
Other loans	<u>98,972</u>	<u>111,239</u>
Payable within one year	11,989	13,067
Payable after one year	<u>86,983</u>	<u>98,172</u>

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Loans and overdrafts

(Continued)

The 25-year loan for the Tiverton Road property was advanced to the Church by a private individual on terms more favorable than could be obtained in the prevailing mortgage/commercial loan market.

Loan repayments and monthly interest, calculated on a daily basis, are payable on the 15th day of each calendar month. Under the terms of the loan agreement the monthly repayment on the loan is scheduled as £616.67.

The loan interest rate is based on the published Consumer Price Index percentage (CPI) of the previous month, where the rate means CPI, or one percent (1%) below CPI where the value of CPI is two percent (2%) or above or, should the CPI measure cease to exist, at another rate of interest closely comparable to the CPI.

Following discussions the terms of the loan were varied at the lender's request with the Trustees full agreement, in October 2013. All interest was waived for the time being and payments of capital were increased to £800.00 per month. This position is subject to review on a periodic basis should prevailing economic circumstances change.

The loan was transferred on the same terms to the charity as part of the process of transition from Trust to CIO.

13 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Borrowings		11,989	13,067
Deferred income	15	1,643	-
Accruals and deferred income		14,658	11,304
		<u>28,290</u>	<u>24,371</u>

14 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Borrowings	<u>86,983</u>	<u>98,172</u>

15 Deferred income

	2021 £	2020 £
Other deferred income	<u>1,643</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Deferred income

(Continued)

	2021 £	2020 £
Deferred income is included within:		
Current liabilities	1,643	-
Movements in the year:		
Deferred income at 1 September 2020	-	-
Resources deferred in the year	1,643	-
Deferred income at 31 August 2021	1,643	-

16 Restricted funds

	Movement in funds			Movement in funds			
	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
Staff Support	-	25,406	(13,652)	11,754	18,013	(29,706)	61
City Partners	1,618	590	-	2,208	425	(2,000)	633
2020 Grants	-	19,637	(19,637)	-	-	-	-
Hardship fund	-	-	-	-	2,632	-	2,632
	1,618	45,633	(33,289)	13,962	21,070	(31,706)	3,326

The use of the restricted funds is limited to the specific purpose of each donation.

Staff Support: Set against the salaries & related costs of specified individual staff members.

Grad Club Fund: Gifts from graduates to be applied in support of ongoing student ministry.

Hardship Fund: Used to help people in difficult financial circumstances.

2020 Grants: Grants paid to 2020 Birmingham church planting initiatives.

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Tangible assets	216,395	-	216,395	217,803	-	217,803
Current assets/ (liabilities)	31,697	3,326	35,023	34,588	13,962	48,550
Long term liabilities	(86,983)	-	(86,983)	(98,172)	-	(98,172)
	<u>161,109</u>	<u>3,326</u>	<u>164,435</u>	<u>154,219</u>	<u>13,962</u>	<u>168,181</u>

The unrestricted fund represents the church general fund which is the accumulated difference between income and expenditure over the history of the church excluding any money given for specific causes, it is used for the general running of the church.

CITY CHURCH BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Operating lease commitments

At the reporting end date the Church had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	16,646	-
Between two and five years	107,708	-
	<u>124,354</u>	<u>-</u>

The old lease expired in June 2020. A new lease was finalised in May 2021 which runs for a five year period from 25 March 2021 with a break clause at 13 June 2023.

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>158,238</u>	<u>98,548</u>

The church considers its key management personnel to be Church Pastors, Families Worker and Operations Manager.