

**CITY CHURCH BIRMINGHAM**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

# CITY CHURCH BIRMINGHAM

## LEGAL AND ADMINISTRATIVE INFORMATION

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**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

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# **CITY CHURCH BIRMINGHAM**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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The trustees present their annual report and financial statements for the year ended 31 August 2022.

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 221 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.

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

# CITY CHURCH BIRMINGHAM

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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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.

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.

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.

The Christmas season was marked by a number of events, notably a return to a Carols by Candlelight service and a contemporary service, with lots of encouragements.

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 midweek activities and meetings organised and run by the church.

The church continued to run *Christianity Explored* and *Reason for God* courses 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 continues to thrive.

Throughout the past year City Church has run regular marriage preparation courses and other events that had to move online due to the Covid -19 pandemic have returned to meeting in person e.g. women's breakfasts.

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*. 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. 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 Birmingham Collective (formerly 2020 Birmingham) as part of a coalition of Birmingham churches working in partnership to facilitate the launch of new churches in the city. 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.

# **CITY CHURCH BIRMINGHAM**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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### **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 was £469,248 (2021 : £432,458). Expenditure for the year was £386,691 (2021 : £436,204). The surplus for the year was £152,737 which included a property revaluation of £70,000 (2021 deficit £3,746).

# **CITY CHURCH BIRMINGHAM**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **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 2022. 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:

T C Hay

I Morah

D Mullen

C Summers

H J Thomson

S White

J James

M Senior

(Appointed 20 October 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.

# **CITY CHURCH BIRMINGHAM**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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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.

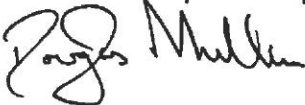
The decisions of the leaders of the Church are subject to the scrutiny of the members of the Church at regular quarterly meetings of the Church.

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 Handbook. 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 2023



# CITY CHURCH BIRMINGHAM

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF CITY CHURCH BIRMINGHAM

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I report to the trustees on my examination of the financial statements of City Church Birmingham (the Church) for the year ended 31 August 2022.

#### **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 2023

# CITY CHURCH BIRMINGHAM

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>							
Donations and legacies	2	414,243	32,427	446,670	407,570	21,070	428,640
Charitable activities	3	22,758	-	22,758	3,818	-	3,818
<b>Total income</b>		<u>437,001</u>	<u>32,427</u>	<u>469,428</u>	<u>411,388</u>	<u>21,070</u>	<u>432,458</u>
<b>Expenditure on:</b>							
Charitable activities	4	356,621	30,070	386,691	404,498	31,706	436,204
<b>Net incoming/(outgoing) resources</b>		80,380	2,357	82,737	6,890	(10,636)	(3,746)
<b>Other recognised gains and losses</b>							
Revaluation of tangible fixed assets		70,000	-	70,000	-	-	-
<b>Net movement in funds</b>		150,380	2,357	152,737	6,890	(10,636)	(3,746)
Fund balances at 1 September 2021		161,109	3,326	164,435	154,219	13,962	168,181
<b>Fund balances at 31 August 2022</b>		<u>311,489</u>	<u>5,683</u>	<u>317,172</u>	<u>161,109</u>	<u>3,326</u>	<u>164,435</u>

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

All income and expenditure derive from continuing activities.

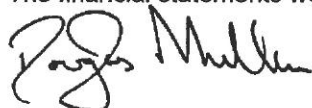
# CITY CHURCH BIRMINGHAM

## BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	10		283,977		216,395
<b>Current assets</b>					
Debtors	11	8,724		7,145	
Cash at bank and in hand		122,187		56,168	
		<u>130,911</u>		<u>63,313</u>	
<b>Creditors: amounts falling due within one year</b>	13	(21,333)		(28,290)	
Net current assets			109,578		35,023
<b>Total assets less current liabilities</b>			393,555		251,418
<b>Creditors: amounts falling due after more than one year</b>	14		(76,383)		(86,983)
<b>Net assets</b>			<u>317,172</u>		<u>164,435</u>
<b>Income funds</b>					
Restricted funds	16		5,683		3,326
<u>Unrestricted funds</u>					
General unrestricted funds		241,489		161,109	
Revaluation reserve		<u>70,000</u>		-	
			311,489		161,109
			<u>317,172</u>		<u>164,435</u>

The financial statements were approved by the Trustees on 27 April 2023



D Mullen  
Trustee

# CITY CHURCH BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 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.

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.

# CITY CHURCH BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 1 Accounting policies

(Continued)

#### 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).

#### 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.

# CITY CHURCH BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

(Continued)

##### 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 salary is offered.*

# CITY CHURCH BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	341,812	13,030	354,842	338,463	17,724	356,187
Grants	3,400	18,302	21,702	883	-	883
Gift aid	69,031	1,095	70,126	68,224	3,346	71,570
	<u>414,243</u>	<u>32,427</u>	<u>446,670</u>	<u>407,570</u>	<u>21,070</u>	<u>428,640</u>
<b>Grants receivable for core activities</b>						
Briarwood Church for Birmingham Collective	-	18,302	18,302	-	-	-
Other	3,400	-	3,400	883	-	883
	<u>3,400</u>	<u>18,302</u>	<u>21,702</u>	<u>883</u>	<u>-</u>	<u>883</u>

### 3 Charitable activities

	2022 £	2021 £
Church events	20,584	1,497
Other income	2,174	2,321
	<u>22,758</u>	<u>3,818</u>



# CITY CHURCH BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 4 Charitable activities

	2022 £	2021 £
Wages and salaries	220,462	319,610
Ministry	20,114	6,827
Other staff costs	26,204	25,789
Church Weekends	10,490	-
Hire of school	13,320	8,520
	<u>290,590</u>	<u>360,746</u>
Grant funding of activities (see note 5)	47,822	24,764
Share of support costs (see note 6)	43,933	45,247
Share of governance costs (see note 6)	4,346	5,447
	<u>386,691</u>	<u>436,204</u>
<b>Analysis by fund</b>		
Unrestricted funds	356,621	404,498
Restricted funds	30,070	31,706
	<u>386,691</u>	<u>436,204</u>

### 5 Grants payable

	2022 £	2021 £
Grants to institutions:		
Birmingham City Mission	2,100	2,100
Operation Mobilisation	4,320	4,800
Interserve	3,600	3,600
Agape	2,880	2,880
FIEC	5,484	5,484
Gifts of less than £1,000 each	4,180	4,460
Briarwood	18,302	-
	<u>40,866</u>	<u>23,324</u>
Grants to individuals	6,956	1,440
	<u>47,822</u>	<u>24,764</u>



# CITY CHURCH BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 6 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Depreciation	2,418	-	2,418	4,260	-	4,260
Admin expenses	8,873	-	8,873	6,284	-	6,284
Building costs	27,524	-	27,524	26,689	-	26,689
Communications	2,362	-	2,362	4,230	-	4,230
Equipment costs	2,756	-	2,756	3,784	-	3,784
Legal and professional	-	2,015	2,015	-	3,035	3,035
Trustee meeting expenses	-	171	171	-	252	252
Independent Examiner (External auditor's) fee	-	2,160	2,160	-	2,160	2,160
	<u>43,933</u>	<u>4,346</u>	<u>48,279</u>	<u>45,247</u>	<u>5,447</u>	<u>50,694</u>
Analysed between Charitable activities	<u>43,933</u>	<u>4,346</u>	<u>48,279</u>	<u>45,247</u>	<u>5,447</u>	<u>50,694</u>

### 7 Trustees

The following Trustees (2021: four) received remuneration in their capacity as Lead Pastor/ Associate Pastor and Families Worker totalling £89,358 (2021 £116,393) This was in line with the provisions in the Governing Documents of the charity.

		Salary	Pension	2022	2021
		£	£	Total	Total
		£	£	£	
J James	Lead Pastor	38,096	3,056	41,152	38,077
J Gregory	Church Pastor	0	0	0	30,661
T C Hay	Families Worker	25,925	2,062	27,987	27,837
C Summers	Associate Pastor	17,729	2,490	20,219	19,818
		<u>81,750</u>	<u>7,608</u>	<u>89,358</u>	<u>116,393</u>

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 (2021 £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.

# CITY CHURCH BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total in Post	9	14
Total	9	13

#### Employment costs

	2022 £	2021 £
Wages and salaries	189,355	257,924
Social security costs	15,711	29,922
Other pension costs	15,396	31,764
	220,462	319,610

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

#### 9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 10 Tangible fixed assets

	Freehold land and buildings £	Fixtures and machinery £	Total £
<b>Cost or valuation</b>			
At 1 September 2021	210,000	15,451	225,451
Revaluation	70,000	-	70,000
At 31 August 2022	280,000	15,451	295,451
<b>Depreciation and impairment</b>			
At 1 September 2021	-	9,056	9,056
Depreciation charged in the year	-	2,418	2,418
At 31 August 2022	-	11,474	11,474
<b>Carrying amount</b>			
At 31 August 2022	280,000	3,977	283,977
At 31 August 2021	210,000	6,395	216,395

# CITY CHURCH BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 10 Tangible fixed assets

(Continued)

Land and buildings with a carrying amount of £ £210,000 were revalued at 31 August 2022 by Holt Commercial, independent valuers not connected with the Church on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 August 2022, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £210,000 (2021 - £210,000).

### 11 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Other debtors	6,252	6,416
Prepayments and accrued income	2,472	729
	<u>8,724</u>	<u>7,145</u>

### 12 Loans and overdrafts

	2022 £	2021 £
Other loans	<u>86,983</u>	<u>98,972</u>
Payable within one year	10,600	11,989
Payable after one year	<u>76,383</u>	<u>86,983</u>

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.

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	2022 £	2021 £
Borrowings		10,600	11,989
Deferred income	15	-	1,643
Accruals and deferred income		<u>10,733</u>	<u>14,658</u>
		<u>21,333</u>	<u>28,290</u>

# CITY CHURCH BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 14 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Borrowings	76,383	86,983

### 15 Deferred income

	2022 £	2021 £
Other deferred income	-	1,643

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	-	1,643
Movements in the year:		
Deferred income at 1 September 2021	1,643	-
Resources deferred in the year	(1,643)	1,643
Deferred income at 31 August 2022	-	1,643

# CITY CHURCH BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 16 Restricted funds

	Balance at 1 September 2020	Movement in funds		Balance at 1 September 2021	Movement in funds		Balance at 31 August 2022
	£	Incoming resources	Resources expended	£	Incoming resources	Resources expended	£
Staff Support	11,754	18,013	(29,706)	61	10,941	(8,718)	2,284
City Partners	2,208	425	(2,000)	633	408	(500)	541
Hardship fund	-	2,632	-	2,632	2,776	(2,550)	2,858
Briarwood Church for Birmingham Collective	-	-	-	-	18,302	(18,302)	-
	<u>13,962</u>	<u>21,070</u>	<u>(31,706)</u>	<u>3,326</u>	<u>32,427</u>	<u>(30,070)</u>	<u>5,683</u>

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.

Briarwood Church for Birmingham Collective - grants are received from Briarwood Church which are distributed by City Church Birmingham for church planting initiatives.

### 17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 August 2022 are represented by:						
Tangible assets	283,977	-	283,977	216,395	-	216,395
Current assets/(liabilities)	109,578	-	109,578	31,697	3,326	35,023
Long term liabilities	(76,383)	-	(76,383)	(86,983)	-	(86,983)
	<u>317,172</u>	<u>-</u>	<u>317,172</u>	<u>161,109</u>	<u>3,326</u>	<u>164,435</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 2022

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#### 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:

	2022 £	2021 £
Within one year	17,500	16,646
Between two and five years	-	107,708
	<u>17,500</u>	<u>124,354</u>

The trustees have decided after the year end to leave 1 Greenfield Crescent at the break clause on 13th June 2023.

#### 19 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>143,833</u>	<u>158,238</u>

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