

Registered Charity Number: 1174964

LANCASHIRE COLLABORATIVE MINISTRY CIO

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

Ainsworths Limited
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

LANCASHIRE COLLABORATIVE MINISTRY CIO

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FOR THE YEAR ENDED 31ST AUGUST 2020**

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LANCASHIRE COLLABORATIVE MINISTRY CIO

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST AUGUST 2020

The trustees present their annual report and the unaudited financial statements of the charity for the year ended 31st August 2020.

The financial statements comply with the Charities Act 2011 and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1st January 2015) – (Charities SORP (FRS 102)).

LEGAL AND ADMINISTRATIVE DETAILS

Registered charity number

1174964

Registered address

Bowland House
Philips Road
Whitebirk Estate
Blackburn
BB1 5NA

Trustees and key management personnel

The trustees who served during the year were as follows:

Tony Cann
Lawrence Forshaw
Dorothy Hewerdine
Anne Mills
Freda Whittle
June Forshaw

Independent Examiner

Michael Heys FCCA ACA
Ainsworths Limited
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Bankers

Lloyds Bank PLC
Church Street
Blackburn
BB2 1JQ

LANCASHIRE COLLABORATIVE MINISTRY CIO

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31ST AUGUST 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational status

Lancashire Collaborative Ministry CIO was registered as a Charitable Incorporated Organisation ("CIO") on 3rd October 2017 under the provisions of the Charities Act (Charity number: 1174964) and is governed by its foundation constitution of the same date.

Organisational structure

The Board currently consists of six trustees whose responsibility is the governance of the charity. There is one employee who tends to the day to day operations of the Charity.

Recruitment and appointment of new board members

The trustees themselves appoint new trustees to the Board as necessary. New trustees are trained by existing trustees.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to ensure that regular reports are produced and that necessary steps can be taken to address any issues arising.

OBJECTIVES AND ACTIVITIES

The objects and activities of the charity are:

- the promotion of religion in accordance with the principles of the general assembly of unitarian and free Christian churches;
- to carry on activities in furtherance of the object above; and
- the provision of financial and other support to member churches, including the support of ministers and property, enabling the churches to further their activities.

Public benefit

In setting out the charity's objectives and planning of activities the trustees have given careful consideration to the Charity Commission's guidance on public benefit, and believe that the activities above satisfy this requirement.

ACHIEVEMENTS AND PERFORMANCE

The Lancashire Collaborative Ministry has successfully established and promoted the interests of the constituent chapels and established more relevant activities in the area.

The COVID-19 pandemic has significantly impacted the operations of the charity during this financial year. Church services were stopped however the charity responded by organising a weekly virtual service using Zoom, to reach members who had been isolated. Furthermore a 'Community Chat' publication has been circulated by e-mail and post to members. Any ongoing projects have had to be put on hold but the intention is for them to resume once the pandemic is over. The trustees are satisfied with their response to continue the charity's benefit to the public whilst restrictions have been in place during the pandemic.

Future plans

No significant changes to the operations of the charity are foreseen.

LANCASHIRE COLLABORATIVE MINISTRY CIO

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31ST AUGUST 2020

FINANCIAL REVIEW

The accounts of the charity show income of £43,735 (2019: £124,313). The decrease is due to a reduction in grant funding received this year. The expenditure for the year was £73,310 (2019: £93,754). The decrease is in line with a reduction in grant funding received. Consequently, a deficit has been recorded of £29,575 (2019: £30,559 surplus). The trustees consider the results for the year to be satisfactory. Free reserves equate to approximately 3 months of charitable expenditure which is in line with recommendations laid out by the Charities Commission.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity, at an amount that equates to 3 to 6 months operating expenditure, as recommended by the Charities Commission. Current free reserves are £15,820, equivalent to 3 months operating expenditure. The trustees believe the net asset position is sufficient to satisfy such requirements although these levels of free reserves are reviewed on a regular basis.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Under charity law, the trustees are responsible for preparing the Report of the Trustees and the financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the net income expenditure for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable them to ensure that, where any statements of accounts are prepared by them under the Charities Act 2011 and the applicable Charity (Accounts and Reports) Regulations, those statements of accounts comply with the requirements of regulations under those provisions. The trustees also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Charity requirements

This report has been prepared in accordance with requirements set down by the Charities SORP (FRS 102).

Approved by order of the board of trustees on 15th April 2021 and signed on its behalf by:



Tony Cann
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LANCASHIRE COLLABORATIVE MINISTRY CIO

I report to the trustees on my examination of the accounts of the Lancashire Collaborative Ministry CIO (the Charity) for the year ended 31st August 2020.

Responsibilities and basis of report

As the trustees of the charity, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Charities accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

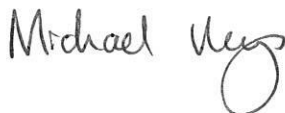
Your attention is drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) in preference to Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

We understand that this has been done in order for the accounts 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 material 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 Charity as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirements that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



Michael Heys FCCA ACA
Association of Chartered Certified Accountants
Ainsworths Limited
Chartered Accountants
Charter House
Stansfield Street
Nelson
BB9 9XY

Dated 15th April 2021

LANCASHIRE COLLABORATIVE MINISTRY CIO

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2020

	Notes	Unrestricted funds	Restricted funds £	2020 £	2019 £
INCOME FROM:					
Donations and legacies	2	41,250	2,485	43,735	124,200
Charitable activities	3	-	-	-	113
TOTAL INCOME		41,250	2,485	43,735	124,313
EXPENDITURE ON:					
Charitable activities	4	71,917	1,393	73,310	93,754
TOTAL EXPENDITURE		71,917	1,393	73,310	93,754
NET (EXPENDITURE)/INCOME		(30,667)	1,092	(29,575)	30,559
Other recognised gains/(losses)		-	-	-	-
NET MOVEMENTS IN FUNDS		(30,667)	1,092	(29,575)	30,559
RECONCILIATION OF FUNDS:					
Total funds brought forward		46,487	-	46,487	15,928
Total funds carried forward	8	15,820	1,092	16,912	46,487

All transactions relate to continuing operations.

There are no other recognised gains or losses for the period other than in the Statement of Financial Activities.

LANCASHIRE COLLABORATIVE MINISTRY CIO

BALANCE SHEET AS AT 31st AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
CURRENT ASSETS					
Debtors	6	5,704		4,317	
Cash at bank and in hand		12,408		44,990	
		18,112		49,307	
CREDITORS					
Amounts falling due within one year	7	1,200		2,820	
NET CURRENT ASSETS			16,912		46,487
NET ASSETS			16,912		46,487
FUNDS					
Restricted	8		1,092		-
Unrestricted	8		15,820		46,487
TOTAL FUNDS			16,912		46,487

These financial statements were approved by the Board of Trustees on 15th April 2021 and signed on its behalf by:

T. G. Cann

Tony Cann
Trustee

LANCASHIRE COLLABORATIVE MINISTRY CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

1. ACCOUNTING POLICIES

Statutory information

Lancashire Collaborative Ministry CIO is a charitable incorporated organisation registered with the Charity Commission in England. The registered charity number and address can be found in the Report of the Trustees on page 1.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16th July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and United Kingdom Generally Accepted Practice as it applies from 1st January 2015.

Lancashire Collaborative Ministry CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that the charity has adequate resources to continue trading for the foreseeable future.

Cash flow

The charity is exempt from the requirement to prepare a cash flow statement as it qualifies as a small entity.

Income

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income from grants and similar incoming resources are included in the period in which they are receivable.

Any income received for specific purpose is accounted for as restricted funds when receivable.

Expenditure

Expenditure is accounted for on an accruals basis (inclusive of attributable value added tax which cannot be recovered) and has been classified under the principal categories related to the cost.

Costs allocated to activities in the furtherance of the charity's objects are those directly associated with achieving the charity's goals. Support costs are those incurred in connection with the management of the company's assets, organisational administration and compliance with constitutional and statutory requirements. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

LANCASHIRE COLLABORATIVE MINISTRY CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST AUGUST 2020

1. ACCOUNTING POLICIES (Continued)

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general activities of the charity. Surplus funds can be allocated to restricted projects if the trustees believe they are required.

Restricted funds are funds subject to specific restriction imposed by the donors for the purpose of any appeal in which the funds are raised and can only be used for particular purpose within the objects of the charity.

Taxation

The company is a registered charity and is therefore exempt from Income Tax and Corporation Tax under the provisions of Section 505(1) of the Income and Corporation Taxes Act 1988.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at transaction price.

Significant judgements and estimates

The trustees consider that no significant judgements or estimates have been made in the preparation of these financial statements.

2. DONATIONS AND LEGACIES

	2020 £	2019 £
GRANT INCOME FROM:		
The Bowland Charitable Trust	20,000	100,000
Nazareth Chapel	18,000	18,000
Chorley Unitarian Chapel	2,000	4,000
Rossendale Borough Council (restricted)	-	2,200
Lancashire Partnership against Crime (restricted)	2,485	-
The Church Urban Fund	1,250	-
	<u>43,735</u>	<u>124,200</u>

All income above is of unrestricted funds unless otherwise stated.

LANCASHIRE COLLABORATIVE MINISTRY CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST AUGUST 2020

3. CHARITABLE ACTIVITIES

	2020 £	2019 £
Income from lectures	-	113
	<u>-</u>	<u>113</u>

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2020 £	2019 £
Salaries	47,694	1,085	48,779	49,897
Social security	1,018	-	1,018	506
Defined contribution pension costs	3,626	-	3,626	5,116
Administrative services	8,920	-	8,920	8,264
Grants paid to and on behalf of institutions (see below)	2,419	108	2,527	11,974
Travelling expenses	2,207	200	2,407	6,558
Rent	4,500	-	4,500	5,425
Council tax	-	-	-	359
Professional fees	-	-	-	150
Independent Examiner's fees (see below)	1,200	-	1,200	1,650
Sundry expenses	289	-	289	1,184
Lecture fees	-	-	-	2,605
Bank charges	44	-	44	57
Interest	-	-	-	9
	<u>71,917</u>	<u>1,393</u>	<u>73,310</u>	<u>93,754</u>

All grants were paid to or on behalf of religious institutions in respect of repairs and maintenance of land and buildings from which they operate.

The fees paid to the Independent Examiner consist of fees paid for the preparation of the financial statements £900 and for the independent examination £300.

LANCASHIRE COLLABORATIVE MINISTRY CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST AUGUST 2020

5. STAFF COSTS

The average number of employees of the charity in the period was 2 (2019: 2). Salary and pension costs are disclosed in note 4 above.

No employees were remunerated by more than £60,000 in the current nor preceding years.

6. DEBTORS

	2020 £	2019 £
Social security	5,704	3,867
Rent deposit	-	450
	<u>5,704</u>	<u>4,317</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Accruals	1,200	2,820
	<u>1,200</u>	<u>2,820</u>

8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Current assets	17,020	1,092	18,112	49,307
Current liabilities	(1,200)	-	(1,200)	(2,820)
	<u>15,820</u>	<u>1,092</u>	<u>16,912</u>	<u>46,487</u>

9. MOVEMENT IN FUNDS

	At 01.09.19 £	Net movement in funds £	At 31.08.20 £
Unrestricted funds			
General funds	46,487	(30,667)	15,820
Restricted funds			
Legal advice sessions	-	1,092	1,092
	<u>46,487</u>	<u>(29,575)</u>	<u>16,912</u>

LANCASHIRE COLLABORATIVE MINISTRY CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST AUGUST 2020

9. MOVEMENT IN FUNDS (CONTINUED)

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Net movement in funds £
Unrestricted funds			
General funds	41,250	71,917	(30,667)
Restricted funds			
Legal advice sessions	2,485	1,393	1,092
	43,735	73,310	(29,575)

Unrestricted funds represent surplus income in excess of expenditure and is available for use by the trustees in accordance with the charitable objects.

A legal advice clinic has been launched at Rawtenstall Unitarian Church on Bank Street. This initiative is in partnership with the Open University's Open Justice Centre and the University of Lancaster's Law School. The partners want to help alleviate the strain caused by unresolved legal issues at a time when legal support services have been cut significantly.

10. TRUSTEES

There were no reimbursements to trustees in respect of travelling expenses this year. In the prior year one trustee was reimbursed an amount of £3,926.

11. RELATED PARTY TRANSACTIONS

There are no related party transactions to disclose other than those explained in the trustees note (note 10).