



CANNING ROAD EVANGELICAL CHURCH

a Charitable Incorporated Organisation

**UNAUDITED FINANCIAL STATEMENTS AND
TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

CANNING ROAD EVANGELICAL CHURCH

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FOR THE YEAR ENDED 31 MARCH 2023

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CANNING ROAD EVANGELICAL CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2023

Registered charity name: Canning Road Evangelical Church

Trustees: Mr D R Geering
Mr M D Harding
Mr L R Milner
Mr D Styles

Chairperson: Mr D R Geering

Treasurer: Mrs L King

Charity registration number: 1195749

Charity Address: Canning Road Evangelical Church
Canning Road
Southport
PR9 7SS

Independent examiner: Mr W A Harrison
Apt 37 Brunlees Court
19-23 Cambridge Road
Southport
PR9 9DH

Banker: NatWest Bank
130 Lord Street
Southport
PR9 0AE

CANNING ROAD EVANGELICAL CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees submit their annual report and financial statements for the year ended 31 March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) '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)', issued October 2019 in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a charitable incorporated organisation (CIO), incorporated on 8 September 2021 and governed by its constitution and associated statement of faith. On 1 June 2022 the property and assets of the previously unincorporated trusts were transferred to the new CIO and those trusts are now in the process of being formally wound up. All charity activity is now being undertaken through this CIO.

Recruitment and appointment of the trustees

The board seek to achieve a balance of skills and experience amongst the trustees, of which it must have a minimum of 3. In order to maintain this, the board reviews its skill and experience mix each year and seeks to recruit new trustees as and when necessary. Potential trustees are members of the charity that both subscribe and adhere to, in belief and lifestyle, the statement of faith and are appointed by a resolution passed at a properly convened meeting of the members.

Trustee induction and training

The current board of trustees provide any new and/or potential trustee with a copy of the constitution and statement of faith along with the latest copy of the charity's annual report and financial statements. Any further training is assessed and provided as and when required by the existing trustees.

Ongoing training is provided by the board of trustees as and when the need arises.

Each trustee is appointed for a set term of a maximum of 3 years and put forward for re-election to the members when that term expires. There is no limit to the number of terms that a trustee may be re-appointed.

Risk management

The charity has undertaken a review of the major risks to which it is exposed and monitors this regularly. Full risk assessments have been undertaken for all activities of the charity and are reviewed on a regular basis. Insurance cover is reviewed annually by the trustees to ensure it is considered appropriate at all times. The trustees are presented with a financial update, usually on a quarterly basis, to ensure that reserves are adequate and that proper financial planning can be undertaken.

During the year a full fire risk assessment has been completed and all necessary safety steps either undertaken or planned.

CANNING ROAD EVANGELICAL CHURCH

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Objects of the charity

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in considering future activities of the charity and believe they are in full compliance. The object of the charity is, for the public benefit, the advancement of the Christian faith in Southport, Merseyside and such other parts of the United Kingdom and the world as the Charity Trustees may from time to time decide.

ACHIEVEMENTS AND PERFORMANCE

Review and summary of the year

Throughout the year the charity has continued to run Sunday church services for its members and the community. The charity has also run a foodbank on Monday afternoons in connection with Compassion Acts, to help the most needy in the local community. A childrens club, "Hero Academy" for ages 5 to 11 on Thursday evenings, term time has also been run for the local community children along with many other outreach activities that have taken place from time to time.

FINANCIAL REVIEW

Review and summary of the year

The results for the year and state of the charity's affairs at 31 March 2023 are set out in the financial statements on pages 7 to 12 showing income of £37,638 (2022: £36,334) and expenditure of £37,374 (2022: £31,512).

The charity recorded a surplus of £264 (2022: £4,822) for the year bringing the total funds to a surplus of £342,666 (2022: £342,402). The trustees are aware of the level of reserves held and as mentioned on the next page have plans to employ a full time member of staff which will start to invest the excess reserves to better charitable use.

Principal funding sources

The principal funding sources of the charity continue to be received from the members tithes and offerings throughout the year along with income from hiring the property to various local organisations whose activities are in keeping with the objects of the charity.

Reserves policy

The trustees have decided on a policy of holding a minimum of 6 months average costs in unrestricted reserves, which is around £18,000. The charity has free reserves well in excess of this at present which will well facilitate the plan to employ a full time staff member (see next page).

In the year to 31 March 2023 the amount available in unrestricted reserves was £342,666 (2022 - £342,402). The trustees are continuing to expand on the charitable work that they undertake to help more in need in the local community which will continue to use the resources available to them.

CANNING ROAD EVANGELICAL CHURCH

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2023

Reserves policy (continued)

Given the plans described in the paragraphs below the trustees agreed to calculate the cost of a full time pastor for youth and families starting at £27,600 per annum with annual inflationary growth of 5%. Including the on costs of national insurance and pensions it was calculated that this would total £158,573 over 5 years. As such the trustees have fully designated this amount which is now reflected in the accounts ready to be spent once the appointment is made. Free reserves after this designation has been made stand at £184,093.

PLANS FOR FUTURE PERIODS

General plans

The charity will continue its current programme throughout the year and aims to increase the levels of help it can offer to the local community, physically, emotionally and spiritually as much as it is able to.

More specifically, the church members have majority voted in favour of the appointment of an employed "pastor for youth and families" as an initial full time contract of up to 5 years. As at the time of writing this report, the job advertisement has been published and a number of possible candidates have applied with interviews set to take place in due course. It is planned that the successful candidate would commence employment no later than the end of August 2023 so that they are well settled into the role before the new school year starts.

As part of this full time contract, it is planned that up to half of this worker's employed hours would be donated to "The Southport and Area Schools Worker Trust", a local charity whose activities are in support of Canning Road Evangelical Church. This is in order to benefit from the synergy between the local schools work and the church by providing the consistency of the face that represents the local church to the local schools. It is believed that this model of operation will bring a fundamental positive difference to the support that the church can offer local families and should further the church's charitable aims.

On a practical note, the charity has also recently instructed local trades to re-plaster the church ceiling as it was becoming in need of repair. It is expected that the cost of this, which includes re-painting, will be in the region of £15,000 to £20,000 once completed, £5,500 of which is included within these financial statements.

Plans in response to risk review

The trustees continually monitor risk and implement policy as and when necessary to mitigate that risk as far as possible. All risk assessments have been prepared and are reviewed and updated on a regular basis as and when required.

CANNING ROAD EVANGELICAL CHURCH

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- d. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board of trustees on 22 May 2023 and signed on its behalf by:



Mr D R Geering - Chairman of Trustees

CANNING ROAD EVANGELICAL CHURCH

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CANNING ROAD EVANGELICAL CHURCH

FOR THE YEAR ENDED 31 MARCH 2023

I report to the trustees on my examination of the financial statements of Canning Road Evangelical Church ('the charity') for the year ended 31 March 2023, which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the accounts under section 145 of the Charities Act,
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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

Independent examiner's statement

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

- a) which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
- b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mr W A Harrison

Apt 37 Brunlees Court, 19-23 Cambridge Road
Southport, PR9 9DH

Dated: 7 August 2023

CANNING ROAD EVANGELICAL CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income:	2	26,430	75	26,505	26,367
Activities to generate funds	3	7,520	-	7,520	5,449
Investment income	4	3,613	-	3,613	4,518
TOTAL INCOMING RESOURCES		37,563	75	37,638	36,334
RESOURCES EXPENDED					
Charitable activities	5	34,294	75	34,369	28,828
Governance costs	6	3,005	-	3,005	2,684
TOTAL RESOURCES EXPENDED		37,299	75	37,374	31,512
NET INCOMING RESOURCES FOR THE YEAR		264	-	264	4,822
Fund balances at 1 April 2022		342,402	-	342,402	337,580
Fund balances at 31 March 2023		342,666	-	342,666	342,402

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 9 to 12 form part of these financial statements.

CANNING ROAD EVANGELICAL CHURCH

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	Total funds 2023 £	Total funds 2022 £
CURRENT ASSETS			
Cash at bank and in hand		170,182	171,528
Green Pastures investments		165,000	165,000
Building hire debtors		4,298	4,314
Gift aid debtor		4,161	4,433
		<u>343,641</u>	<u>345,275</u>
CURRENT LIABILITIES			
Trade creditors		176	87
Expenses owed		699	2,187
Accrued costs		100	599
		<u>975</u>	<u>2,873</u>
NET CURRENT ASSETS		<u>342,666</u>	<u>342,402</u>
FUNDS			
Restricted funds		-	-
Designated funds	8	158,573	-
Unrestricted funds		184,093	342,402
TOTAL FUNDS		<u>342,666</u>	<u>342,402</u>

These financial statements were approved by the board of trustees and authorised for issue on 22 May 2023, and are signed on behalf of the board by:



Mr D R Geering - Chairman of Trustees

The notes on pages 9 to 12 form part of these financial statements.

CANNING ROAD EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES

a Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the FRSSE Statement of Recommended Practice (FRSSE SORP), "Accounting and Reporting by Charities" published in March 2015.

b Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements where relevant.

c Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. No amounts are included in the financial statements for services donated by volunteers.

d Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

e Fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost including and incidental expenses of acquisition.

f Limited by guarantee

The charity is a charitable incorporated organisation. The members of the charity are the congregational individuals that have signed the membership declaration and subscribe fully to the statement of faith. In the event of the charity being wound up, the members have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

g Green Pastures investments

The charity has 3 separate investments totalling £165,000 held as unsecured loan stock with Green Pastures CBS Limited, a Christian charity whose objects are to end homelessness. These are at fixed rates and mature in August 2023, September 2023 and October 2023 respectively.

CANNING ROAD EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

2 VOLUNTARY INCOME

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations and gifts:				
General donations (gift aid)	16,594	60	16,654	16,845
General donations (no gift aid)	5,690	-	5,690	5,088
Gift aid tax recoverable	4,146	15	4,161	4,434
	<u>26,430</u>	<u>75</u>	<u>26,505</u>	<u>26,367</u>

3 ACTIVITIES TO GENERATE FUNDS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other activities:				
Income from hire of property	7,520	-	7,520	5,449
	<u>7,520</u>	<u>-</u>	<u>7,520</u>	<u>5,449</u>

4 INVESTMENT INCOME

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from investments:				
Green Pastures interest	3,300	-	3,300	4,450
Bank interest	313	-	313	68
	<u>3,613</u>	<u>-</u>	<u>3,613</u>	<u>4,518</u>

CANNING ROAD EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

5 COSTS OF CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Property costs:				
Electricity and gas	3,492	-	3,492	977
Repairs and maintenance	13,951	-	13,951	6,501
Water rates	349	-	349	213
Waste collection	50	-	50	50
Insurance	1,962	-	1,962	1,730
	<u>19,804</u>	<u>-</u>	<u>19,804</u>	<u>9,471</u>
Administration / support costs:				
Telephone and internet	435	-	435	372
Printing, postage and stationery	160	-	160	383
Subscriptions and licences	357	-	357	273
Sundry costs	333	-	333	396
	<u>1,285</u>	<u>-</u>	<u>1,285</u>	<u>1,424</u>
Charitable activity costs:				
Charitable giving	3,815	75	3,890	3,698
Youth work	1,319	-	1,319	1,670
Speakers expenses	805	-	805	1,160
Salaries	6,679	-	6,679	11,310
Recruitment costs	300	-	300	-
Outreach events	287	-	287	95
	<u>13,205</u>	<u>75</u>	<u>13,280</u>	<u>17,933</u>
	<u>34,294</u>	<u>75</u>	<u>34,369</u>	<u>28,828</u>

6 GOVERNANCE COSTS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Legal and CIO formation costs	2,905	-	2,905	2,584
Independent examination	100	-	100	100
	<u>3,005</u>	<u>-</u>	<u>3,005</u>	<u>2,684</u>

CANNING ROAD EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

7 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds £
Current assets	343,641	-	343,641
Current liabilities	(975)	-	(975)
	<u>342,666</u>	<u>-</u>	<u>342,666</u>

8 ANALYSIS OF FUNDS

	Balance at 1 Apr 22	Incoming Resources	Outgoing Resources	Transfers	Balance at 31 Mar 23
Unrestricted funds:					
General fund	342,402	37,563	37,299	(158,573)	184,093
Designated funds	-	-	-	158,573	158,573
Restricted funds:	-	75	75	-	-
Total funds:	<u>342,402</u>	<u>37,638</u>	<u>37,374</u>	<u>-</u>	<u>342,666</u>

Restricted funds represent donations received during the year for missional outreach and are to be spent on missional giving only.

Designated funds represent unrestricted funds that the trustees have agreed to set aside to be used to fund up to 5 years salary and associated on costs of a full time pastor for youth and families in accordance with their future plans.

9 TRUSTEES REMUNERATION

No trustee received any emoluments during the year.