

**CORNERSTONE CHURCH BRIGHOUSE**  
a Charitable Incorporated Organisation  
**TRUSTEES' REPORT**  
**AND**  
**FINANCIAL STATEMENTS**

**FOR THE PERIOD 13 DECEMBER 2021 TO**  
**31 MARCH 2023**

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The Trustees have the pleasure of submitting the Report and

Accounts for the financial period 13 December 2021 to 31 March 2023. This period of 15 months will bring the charity in line with its chosen reporting date of 31 March – as it was under its previous charitable structure. These are the first independently examined accounts of the charity in its new status as a Charitable Incorporated Organisation (CIO).

### **Objects of the Charity**

The charity, which is a church affiliated to the Fellowship of Independent Evangelical Churches (FIEC), was registered as a CIO on 13 December 2021, having previously been a Charitable Unincorporated Association (CUA) since the 1980s.

The Church seeks to demonstrate the Christian Faith in action by faithfully preaching the Gospel and serving the local community in a range of different ways. Its vision is 'Reaching Out and Building Up in the Gospel of Jesus Christ and for the Glory of God'.

### **Summary of the Charity's Main Activities and Achievements**

The Church is not a building. It is a gathering of ordinary people of every background, whose lives have been radically and permanently changed by Jesus Christ, the Son of God. The New Testament reveals the Church as a community of people, properly taught and cared for, who by loving and serving Jesus Christ, are committed to love and care for each other and to bring a blessing to the area in which they lived. Cornerstone Church, Brighouse, its trustees and elders, deacons and members are committed to the pursuit of those Biblical principles. It is not alone in this. It is one of many churches in the local area, across the country and, indeed, all over the world, that are declaring the life changing power that comes through trusting and living for Jesus Christ, as Lord and Saviour and friend.

To further the above objects and vision, the charity's main activities and achievements were as follows:

During this period the church has continued to share and enjoy open, communal Sunday worship, the public reading, teaching, and ministering of the God's Word, the sharing and taking of communion, and prayer, in The Space Community @ Field Lane in Rastrick. The church meets for prayer at its building on Bradford Road in Brighouse and other prayer and Bible study in home groups around the area throughout the week. The church elders, pastoral team and home groups ensure care for the church fellowship, and provide both ongoing and immediate support wherever there is need.

The church engages in family, youth and adult activities throughout the week, including, Sunday evening youth meetings, Sunday morning junior church, Make Lunch in partnership with Transforming Lives for Good (TLG) – a school holiday lunch and activity provision; debt and management courses in partnership with Christians Against Poverty (CAP), as well as numerous other seasonal activities open to all.

The church is well-established, known and respected in the local community. The church continues to build links with the local community both through its activities and through its church run café – Café 139 - run from its building on Bradford Road, Brighouse, which is part of its ministry and outreach welcome.

**Café 139**

The church's café has since 2012 provided a warm and friendly location for local people to come and meet and enjoy good, reasonably priced food and drink. The café has a paid manager and assistant but is otherwise run entirely by volunteers, from the church membership, congregation and from outside the church. Whilst not running for profit the café has always sought to cover its costs, but as part of the church's ministry, is still part of the overall church budget. It is an excellent place for the church link with the community and build meaningful contact and relationships. The café is used as a location to promote the church's events and to provide books, leaflets and conversation about the Christian Faith.

**Project 139**

To consolidate the church's footprint at its building in Bradford Road, Brighouse, in January 2022, the church bought an adjacent property on Gathorne Street. This was with the express intention of using this building to enable the opening up of the first floor of its current building on Bradford Road. Project 139 aims to allow the church to have its main Sunday services back at its own premises and for use of the premises, in time, to be expanded for other charity activities. This is an exciting venture, that although taking time to realise has seen work commence on the basement of the Bradford Road building to facilitate and provide space for work to commence on the first floor – which is intended to be a large capacity meeting space for the church.

In planning and undertaking its activities the trustees have applied the guidance on public benefit issued by the Charity Commission and the trustees, as elders, continue to seek guidance as appropriate from FIEC of which we have been active members for many years.

**Legacy Impact of COVID-19**

The church continued functioning during the pandemic in keeping with Government law and guidance around social distancing, and also remained financially stable throughout that same time, with little appreciable change in giving. 2022 saw an almost full return to normality, with the exception that the established venue for Sunday services – Brighouse Civic Hall – was not re-opened and so the church had to find alternative accommodation first at a local school and then at The Space @ Field Lane, who have warmly welcomed and supported the church on Sundays.

**Financial Review**

The church finances are operated to ensure the smooth running of the church's activities in accordance with its financial management procedures, which are reviewed annually. The church treasurer is the church officer responsible for overseeing the finances of the church, and together with members of the finance team, provide updates to the trustees at their regular meetings throughout the year, to ensure they can discharge their statutory responsibilities as required by Commission Charity law.

The church aims to give away 10% of its income each year in support of charitable Christian work and organisations. All monies given are to organisations or individuals that the church knows and has established links with. The church membership is aware of organisations and individuals in receipt of regular giving for their Christian ministries.

## Reserves Policy

The Trustees have determined that the charity should hold unrestricted cash of no less than £17k. This equates to approximately 2 months' (£12k) unrestricted church expenditure and approximately 10% of the annual income of Café 139. This is to ensure that the charity could continue to operate should there be any sudden and adverse reduction in income or significant expenditures. At the end of March 2023, the charity held unrestricted cash of £16.8k in its main church account, £0.1k in its Café account and £0.2k in petty cash, which aggregated is £17.1k.

Project 139 has been so far financed using gift and donations from church members, the wider congregation and from the generous donations of other churches and supporters. In addition to this the church has applied, and continues to apply for, grants from charitable organisations and foundations to support the transformation of the building. Sunbridge Road Mission in Bradford, FIEC and Benefact Trust have very kindly supported the church financially in this venture. All income related to the building is considered by the Trustees to be reserved exclusively for this venture and items of expenditure associated with it. The balance on 31 March 2023 was £52.4k.

The cash and assets of Cornerstone Church, Brighouse were held in trust by FIEC Trust Limited as part of its original status as a CUA. On 30 September 2022, all assets were formally transferred to the CIO by Edward Connors Solicitors acting on behalf of the church, and the CUA ceased to operate.

## Governance

The policy and operating decisions of the church rest with the elders, who are the trustees of the charity, in consultation with the Deacons (when in office) and membership of the church, which is currently 44. They meet regularly, in accordance with a planned and shared timetable of various meetings and monitor the activities of the church. All major decisions are voted upon by the church's membership in accordance with the Constitution and Church Handbook.


Elders and deacons are appointed by vote of the church membership at a properly held church business meeting.

## Responsibilities of Trustees

Charity law requires the trustees to prepare financial statements for each accounting year, which records receipts and payments of the charity for the year. We are responsible for the keeping of proper accounting records which disclosure with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and take reasonable steps to prevent fraud or any other irregularities.

## Approval

This report was approved  ed on 30 January 2024 on behalf the trustees by:

Allan James Raw .....

Independent examiner’s report to the trustees of Cornerstone Church Brighouse Charitable Incorporated Organisation (‘the CIO’).

I report to the charity trustees on my examination of the accounts of the CIO for the period from registration 13 December 2021 to the 31 March 2023.

**Responsibilities and basis of report**

As the charity trustees of the CIO 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 CIO’s accounts carried out under section 145 of the Act. In carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.


**Independent examiner’s statement- matter of concern identified**

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 as required by section 130 of the Act; or
- 2. the accounts do not accord with those records.

In carrying out my examination. I noted some inefficient ways of recording transactions in particular banking in the cafe activities. These I will arrange to discuss and train the people concerned to improve the systems.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

  
.....

R J Murray FIFa FIPa

Financial Accountant

24 Rayner Drive  
Brighouse  
HD6 2DG

Date: 30 Jan 2024

<b>Recommended categories by activity</b>	<b>Notes</b>	<b>Unrestricted funds £</b>	<b>Restricted income funds £</b>	<b>Total Funds 2023 £</b>
<b>Incoming resources</b>				
<b>Income and endowments from:</b>				
Donations and legacies	2	87,211	72,142	159,353
Charitable activities	3	70,157	0	70,157
Other	4	58,022	324,090	382,112
<b>Total</b>		<b>215,390</b>	<b>396,232</b>	<b>611,622</b>
<b>Resources expended</b>				
<b>Expenditure on:</b>				
Raising funds	5	74,495	0	74,495
Charitable activities	6	103,682	4,252	107,934
Other	8	126	642	768
<b>Total</b>		<b>178,303</b>	<b>4,894</b>	<b>183,197</b>
<b>Net income/(expenditure) before investment gains/(losses)</b>		<b>37,087</b>	<b>391,338</b>	<b>428,425</b>
<b>Net income/(expenditure)</b>		<b>37,087</b>	<b>391,338</b>	<b>428,425</b>
Other gains/(losses)		(20,000)	20,000	0
<b>Net movement in funds</b>		<b>17,087</b>	<b>411,338</b>	<b>428,425</b>
Reconciliation of funds:				
Total funds brought forward		0	0	0
<b>Total funds carried forward</b>		<b>17,087</b>	<b>411,338</b>	<b>428,425</b>

Recommended categories by activity	Notes	Unrestricted funds £	Restricted income funds £	Total Funds 2023 £
Fixed assets				
Tangible assets	9	0	380,067	380,067
Total fixed assets		0	380,067	380,067
Current assets				
Cash at bank and in hand	10	17,087	52,382	69,469
Total current assets		17,087	52,382	69,469
<b>Total assets less current liabilities</b>		<b>17,087</b>	<b>432,449</b>	<b>449,536</b>
Creditors: amounts falling due after one year	11	0	21,111	21,111
<b>Total net assets or liabilities</b>		<b>17,087</b>	<b>411,338</b>	<b>428,425</b>
Funds of the Charity				
Unrestricted funds	12	17,087		17,087
Restricted income funds	12		411,338	371,338
<b>Total funds</b>		<b>17,087</b>	<b>411,338</b>	<b>388,425</b>

The financial statements were approved by the Board on 30 January 2024 and signed on its behalf of the Trustees by:

Allan James Raw



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Jonathan Paul Mashintor

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# 1 Accounting Policies

## 1.1 Accounting Policies

The principal accounting policies adopted by the Charity, which is a public benefit entity, in the preparation of the accounts are as follows.

## 1.2 Basis of preparation

These accounts have been prepared under the historical cost convention, as modified by the inclusion of charitable properties and fixed asset investments and investment properties at valuation.

These accounts have been prepared in accordance with “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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

These accounts are presented in pounds sterling and rounded to the nearest pound.

## 1.3 Going concern

The Trustees have prepared financial projections, taking into consideration the current economic conditions and have, at the time of approving these accounts, a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

## 1.4 Income from donations or grants

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing. If a donation or grant contains terms and conditions outside of the charity’s control which must be met before the charity is entitled to the funds, or if the donor specifies that the funds must be used in future time periods, then the income is deferred.

## 1.5 Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

## 1.6 Government grants

The charity has not received government grants in the reporting period

## 1.7 Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

## **1.8 Other trading income**

Other trading income from non-charitable sources is recognised over the period to which it relates, Any relating to future periods is deferred.

## **1.9 Expenditure**

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably. It is inclusive of VAT which cannot be recovered.

Direct costs are those costs which directly attribute to its activities. Wages and salaries are allocated to direct costs based on an estimate of time spent on charitable activities by staff members.

Support costs include staff costs and are those which do not produce a direct output. Staff costs relate to specific activities and this is reflected in the allocation of payroll costs based on the percentage of time spent.

All costs, including governance costs, are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are charged directly; others are apportioned on an appropriate basis.

Support costs and overheads have been calculated by allocating staff time to the level of involvement in the various activities of the Charity.

## **1.10 Pensions**

The Charity makes contributions to defined contribution pension schemes through auto enrolment. These contributions are charged to the income and expenditure account in the year in which they become payable.

## **1.11 Taxation**

The organisation is a registered charity and has no liability to income tax or corporation tax on its charitable activities during the year.

Value added tax incurred is not recoverable as not registered for VAT.

## **1.12 Fund accounting**

Unrestricted funds are those 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.

### 1.13 Tangible fixed assets

Tangible fixed assets, such as land and buildings, plant, vehicles and equipment, are held to provide an on-going economic benefit to a charity through their contribution, directly or indirectly, to the provision of goods or services by the charity.

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Name	Rate (%)	Year	Method
Freehold Land and Buildings	0%		
Plant and Equipment	15%		Straight Line
Fixtures and Fittings	10%		Straight Line

**Note:** Provide an option to increase rows as per user requirement.

We have to provide the above tabular form in the accounting policy screen to enter details manually and upon saving the data, it should appear in the report without headings.

## 2 Income from Donations and Legacies

Analysis	Unrestricted funds	Restricted income funds	Total funds 2023
£	£	£	£
Cafe Gifts non GA	699	0	699
General grants provided by Government/other charities	0	25,000	25,000
Gift Aid	5,217	2,302	7,519
Gifts	63,105	12,495	75,600
Gifts - Non GA	18,190	32,345	50,535
<b>Total</b>	<b>87,211</b>	<b>72,142</b>	<b>159,353</b>

### 3 Income from Charitable Activities

	Unrestricted funds	Restricted income funds	Endowment funds	Total funds 2023	Total funds 2022
Analysis	£	£	£	£	£
Sale of Good	70,157	0	0	70,157	0
<b>Total</b>	<b>70,157</b>	<b>0</b>	<b>0</b>	<b>70,157</b>	<b>0</b>

### 4 Other Income

	Unrestricted funds	Restricted income funds	Total funds 2023
Analysis	£	£	£
Building fund transferred from previous charity	0	324,090	324,090
Cafe fund transferred from previous charity	2,073	0	2,073
General fund transferred from previous charity	55,949	0	55,949
<b>Total</b>	<b>58,022</b>	<b>324,090</b>	<b>382,112</b>

### 5 Expenditure on Raising Funds

Analysis	Total funds 2023
£	£
Cafe Food Costs	23,694
Cafe staff costs	40,418
Cafe operating costs	10,383
<b>Total</b>	<b>94,495</b>

## 6 Expenditure on Charitable Activities

Analysis	Total funds 2023
£	£
Weekend away Event	657
Building Costs:Health & Safety	1,222
Building Costs:Telephone/Internet	757
Building Costs:TV Licence	62
Building Costs:Window Cleaning	120
Finance & Administration:FiEC Fees	284
Finance & Administration:Insurance	5,163
IT	1,774
Finance & Administration:Licences	854
Finance & Administration:Safeguarding	256
IT:Dues and Subscriptions	32
Ministry:Books/Music	417
Ministry:Speakers	200
Ministry:TLG Make Lunch	1,338
Ministry:Youth Work	435
Rent or Lease of Buildings:Carr Green Hire	2,347
Rent or Lease of Buildings:The Space @ Field Lane	6,147
Staff Costs:Broadband Expenses	12
Utility Bills	2,582
Conferences and Courses	1,094
Staff Costs:HMRC Church	(3,749)
Staff Costs:Mobile Phone	69
Staff Costs:Pension Church	3,620
Staff Costs:Salary - Cafe	93
Staff Costs:Salary - Church	56,969
Ministry:CAP Team	73
Ministry:Giving - Individuals	361

Miscellaneous Costs:Individual's Education Fees	125
Ministry:Giving - Organisations	13,916
Miscellaneous Costs:Presents/Gifts	99
Purchases:Stationary & Office Supplies	558
Building Costs:Repair and maintenance	23
Finance & Administration	178
Surveys and Inspections	2,944
Ministry:Events	122
Ministry	699
Memory Cafe Outreach	169
Advertising and marketing	76
Support Costs	5,836
<b>Total</b>	<b>107,934</b>

## 7 Support Costs

Analysis	Total funds 2023
	£
<b>Governance Costs</b>	
Finance & Administration:Accountant Fees	1,320
Finance & Administration:Payroll Fees & Quickbooks	847
Legal Fees	3,669
<b>Total</b>	<b>5,836</b>

## 8 Other Expenditure

Analysis	Unrestricted funds	Restricted income funds	Total funds 2023
	£	£	£
Council tax	0	642	642
Miscellaneous Costs:Catering	59	0	59
Miscellaneous Costs:Transport	67	0	67
<b>Total</b>	<b>126</b>	<b>642</b>	<b>768</b>

## 9 Tangible Fixed Assets

### 9.1 Cost or valuation

	Freehold Land & Buildings
	£
Additions	380,067
At 31 March 2023	380,067

### 9.2 Amortisation and impairments

	Freehold Land & Buildings
	£
Charge for period	0
At 31 March 2023	0

### 9.3 Net book value

	Freehold Land & Buildings
	£
At 31 March 2023	380,067

## 10 Cash at bank and in hand

	Total funds 2023
	£
Business Account (XXXX 3560)	16,755
New Build (8368)	52,382
Café Bank Account	148
Cafe Cash in hand	184
<b>Total</b>	<b>69,469</b>

## 11 Creditors: Amounts falling due after one year

	Total funds 2023
	£
Loans	21,111
<b>Total</b>	<b>21,111</b>

## 12 Charity funds

### 12.1 Details of material funds held and movements during the CURRENT reporting period

Fund names	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds						
	0.00	215,390	(178,303)	(20,000)	0	17,087
Restricted income funds						
	0	396,232	(4,894)	20,000	0	411,388
<b>Total</b>	<b>0</b>	<b>611,622</b>	<b>(183,197)</b>	<b>0</b>	<b>0</b>	<b>428,425</b>



12.2 Transfers between funds

This Period

	Amount £	
Between unrestricted and restricted funds		20000
Between endowment and restricted funds		0
Between endowment and unrestricted funds		0



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