

# City Church Trust, Liverpool

Report and Accounts

Year ended 31 October 2020

Stewardship   
*Active generosity*

1 Lamb's Passage, London EC1Y 8AB  
[www.stewardship.org.uk](http://www.stewardship.org.uk)

**CITY CHURCH TRUST, LIVERPOOL**  
**LEGAL AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

ADDRESS FOR CORRESPONDENCE	39 Onslow Road Liverpool L6 3BA
GOVERNING DOCUMENT	Declaration of Trust dated May 1989
CHARITY REGISTRATION NUMBER	701792
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	David Jones (to August 2021) Prakash Chougule Graham Earnshaw (resigned April 2020) Ann Harding (appointed August 2021) Susan Latham John Fretwell (appointed March 2020)
BANKERS	Santander CCLA COIF Charities Deposit Fund Skipton Building Society
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

**INDEX**

Page 1	Legal and Administrative Details
Pages 2-5	Trustees' Report
Page 6	Independent Examiner's Report
Page 7	Receipts and Payments Account
Page 8	Statement of Assets & Liabilities
Pages 9-10	Notes to the Accounts

**CITY CHURCH TRUST, LIVERPOOL**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 October 2020.

**Objects of the charity**

The charity was formed as a Trust on 30th May 1989, is a registered charity and is governed by its Declaration of Trust of the same date. The charity's principal objectives, as set out in its governing document, are: the advancement of the Christian Faith, and relief of poverty, sickness and disabled persons and the advancement of education in Merseyside and elsewhere in the UK and other parts of the world.

**Summary of the charity's main activities and achievements**

The work of the Trust has continued, and we have seen new people join the Church throughout the year.

Dave Latham continued as Senior Minister of City Church. Dave leads the Leadership Team with Sue, his wife. James Earnshaw and his wife Cathy complete the leadership team. Dave and James are salaried leaders. The team works closely together as they seek the Lord to implement the way forward for the church.

We welcome all who attend City Church, and teach any who wish to know more about the love of Christ. During the week, Home Groups (attended regularly by over 30 people ) take place to support members of the church, and help them to learn more about the Christian faith.

In the year 2019 up to March 2020 City Church continued to meet every Sunday to worship God and hear the preaching of the good news of Jesus Christ. The average attendance at these meetings is about 120 people. The Pastoral Team has increased so that more people are supported and visited in their homes.

In March 2020 the country was hit by the Covid pandemic so to adhere to government directives we closed the church. Over time we carried out risk assessments and were able to open up as the government allowed. When closed we used zoom to communicate for prayer and bible study and had services via YouTube.

The senior minister David Latham was able to access the government Coronavirus Job Retention Scheme. (see financial review)

**Evangelism**

During the Christmas season 2019 we hired a tent and erected it in the local park for an outdoor carol service. A visiting speaker and a brass band was invited and services were held for the local community and supported by various churches in the area. Approximately 300 local residents attended.

One of the prime aims of the trust is to promote the Christian Gospel. This work has continued throughout this year, both through the visits to houses in the neighbourhood, through Sunday services and through youth and children's services.

### Children's Church

Throughout this year, the Children's Church team has risen to the challenges of the three lockdowns and subsequent church gathering closures. We have undertaken home visits, set up a parents forum and strengthened relationships with families.

We have set up a Children's app, on which Children can share pictures and watch videos and content, gathered by the Children's Church team.

Over the times that we have legally been allowed to gather, Children's Church have run socially distanced sessions; as well as family services and family film nights.

Bible Class is the name for the group of young people who meet during the Sunday morning service. We have up to 15 young people and four leaders. We talk about the Bible and related topics, and show media clips and have discussions and activities.. The young people are also involved in church services through media, sound and the worship team. During lockdowns we have connected through zoom and phone calls.

The 18-30s have had a fantastic year with a number of people being added to our number, replacing a handful of people who left the city for university or work. We meet regularly to socialise and study the Bible. During lockdowns we communicated through zoom.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

### Property

The work on the church building in Jubilee Drive has continued through the year as we seek to improve and maintain facilities.

During the time the building was closed to members we employed various workmen to upgrade our welcome area and paint the front of the building, all within covid guidelines.

### Investment policy

The reserve funds are held with the Skipton Building Society and CCLA Charities Deposit Fund. If funds are received which require longer-term and more complex investment to be made, the Trustees are aware that, under the Trustees Act 2000, they will need to seek independent financial advice.

### Future plans

The Trustees plan to make some amendments to the governing document in the coming year.

In November 2019 the church received a legacy that was without condition/restriction. The intention is to place this in a designated fund, so that this money can be earmarked for various expenditures over the next few months/years, and this will be kept separate from the day to day receipts and payments.

Due to Covid-19, the last Sunday morning offering was taken on 15/3/2020, and as such the church has received no cash offering since this date. The standing order gifts continue and some people are now making payments electronically. The Senior Minister has been on furlough since 09/4/2020, and a claim for 80% of his regular wage was made through the Coronavirus Job Retention Scheme. The church has sufficient resources to continue operating for at least one year from the date of signing the accounts and can pay liabilities as and when they are due.

### **Financial review and impact of Covid-19**

Due to Covid-19 and the various lockdowns there have been no services for several months and these were replaced by online events. Consequently there has been a loss of income received from church services. There has been an increase in online giving. Due to the decrease in services and general church activity the senior pastor has been placed on varying periods of furlough. There have been no redundancies. Funds were received from the Coronavirus Job retention Scheme. There was also a legacy received during this accounting period resulting in total annual income of £156,200. If the income received from the legacy is disregarded then the total income from all other sources is generally in line with the income received in previous years.

Expenditure was also increased when compared to the previous year, resulting in a total annual expenditure of £107,200. The financial handling of salary payments and accountancy continues to be conducted by Stewardship Services.

### **Reserves policy**

The trustees have determined that the charity should aim to hold unrestricted cash of no less than £54,000 (which equates to about 6 months' of unrestricted expenditure) so that the charity could continue to operate should income and / or expenditure vary adversely. At the year end, the charity held unrestricted cash of £167,500 and the charity is holding funds of £37,000 over and above the 6 month reserve and the newly established designated fund of £76,467. The charity is holding these excess funds for the following reasons:

- \* offsetting the ongoing pattern of annual expenditure exceeding income and the resultant annual deficit, the changing staffing profile and its unknown impact on the salary bill, the current and ongoing loss of income due to no Sunday offering being received due to Covid-19 lockdowns and restrictions.

- \* there is a general deterioration in the fabric of the old building that the church occupies. The roof is old, there are issues with damp and water ingress and partial single glazing. Plans are being discussed to undertake essential maintenance, remedial work, significant refurbishment, upgrading of the building and increasing access to the building (there is currently no level access to the building and a significant number of steps and a stairway have to be negotiated in order to gain entry to any part of the building).

- \* In May 2020 the final payment of a legacy was received and this was classified as a designated fund. The ongoing Covid-19 situation has meant there has been significant disruption to the Trustees' normal meeting pattern. Consequently, there has been no in-depth discussion as to how to allocate this newly acquired money.

The intention is that at all future trustees' meetings these excess unrestricted funds and the recently established designated fund will regularly be reviewed and the decisions minuted.

The church has sufficient resources to continue operating for at least one year from the date of signing the accounts and can pay liabilities as and when they are due.

### **Governance**

Responsibility for setting policy and for making operating decisions rests with the trustees who meet regularly to monitor the activities of the charity. New trustees are recruited and appointed by the existing trustees with approval of the leadership. Policies are reviewed regularly and kept up to date.

**Risk management**

The Trustees have reviewed the major strategic and operational risks that the charity faces. These are kept under review at Trustee meetings, which occur at least 4 times per year. Where possible we seek to insure major risks in respect of the building and employees. In addition, we have a Safeguarding Policy (for children and vulnerable adults) along the guidelines set out by the thirtyone:eight organisation formerly (CCPAS). This ensures that all those who work with children and young people and vulnerable adults on our behalf are cleared with the Disclosure & Barring Service (DBS) and receive suitable training and support.

**Responsibilities of trustees**

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose 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 to take reasonable steps to prevent fraud or any other irregularities.

**Approval**

This report was approved by the trustees and signed on their behalf by:

Susan Latham

Date: 28 September 2021

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF**  
**CITY CHURCH TRUST, LIVERPOOL**

I report to the trustees on my examination of the accounts of City Church Trust, Liverpool ('the charity') for the year ended 31 October 2020 on pages 7 to 10 following.

**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 2011 Act').

I report in respect of my examination of the charity's 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 2011 Act.

**Independent examiner's statement**

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 accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Jaimée Young

Stewardship  
1 Lamb's Passage  
LONDON  
EC1Y 8AB

Date: 29 September 2021

**CITY CHURCH TRUST, LIVERPOOL**  
**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

	Notes	<u>Unrestricted Funds</u>		Restricted Funds	Total 2020	Total 2019
		General Funds	Designated Funds			
		£	£	£	£	£
<b>Income receipts</b>						
Donations		49,819	-	3,882	53,701	74,492
Gift aid receipts		10,814	-	-	10,814	-
Legacies		-	76,467	-	76,467	-
Government grants		10,772	-	-	10,772	-
Other grants		-	-	3,000	3,000	1,500
Rental income		300	-	-	300	600
Income from charitable activities		597	-	-	597	2,364
Interest		328	-	-	328	801
Other		-	-	-	-	21
		<u>72,631</u>	<u>76,467</u>	<u>6,882</u>	<u>155,980</u>	<u>79,779</u>
<b>Capital and similar receipts</b>						
Sale of fixed assets		180	-	-	180	-
		<u>180</u>	<u>-</u>	<u>-</u>	<u>180</u>	<u>-</u>
<b>Total receipts</b>		<u>72,811</u>	<u>76,467</u>	<u>6,882</u>	<u>156,160</u>	<u>79,779</u>
<b>Payments</b>						
Payments in relation to charitable activities undertaken directly	2	96,326	-	5,362	101,688	88,707
Grants paid in relation to charitable activities undertaken by others	3	1,987	-	3,532	5,519	1,150
<b>Total payments</b>		<u>98,313</u>	<u>-</u>	<u>8,895</u>	<u>107,207</u>	<u>89,857</u>
Net of receipts / (payments) before transfers		(25,502)	76,467	(2,012)	48,953	(10,079)
Transfers between funds	5	(1,845)	-	1,845	-	-
<b>Net movement in funds</b>		<u>(27,347)</u>	<u>76,467</u>	<u>(167)</u>	<u>48,953</u>	<u>(10,079)</u>
Cash funds as at last year end		118,336	-	2,748	121,084	131,163
<b>Cash funds at this year end</b>	A	<u>90,989</u>	<u>76,467</u>	<u>2,581</u>	<u>170,037</u>	<u>121,084</u>

The notes on pages 9-10 form part of these accounts.



**CITY CHURCH TRUST, LIVERPOOL**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

	<u>Unrestricted Funds</u>		Restricted funds	Total 2020	Total 2019
	General funds	Designated funds			
	£	£	£	£	£
<b>A Cash funds</b>					
Held at bank	90,440	76,467	2,581	169,488	120,819
Unbanked offerings	378	-	-	378	-
Petty cash	171	-	-	171	265
	<u>90,989</u>	<u>76,467</u>	<u>2,581</u>	<u>170,037</u>	<u>121,084</u>
<b>B Other monetary assets</b>					
Gift aid due to charity	9,729	-	-	9,729	10,803
	<u>9,729</u>	<u>-</u>	<u>-</u>	<u>9,729</u>	<u>10,803</u>
<b>C Liabilities</b>					
<b>Falling due within one year:</b>					
Pension due	794	-	-	794	-
Fee for Independent Examination	918	-	-	918	900
Accrued expenses	1,120	-	-	1,120	-
	<u>2,832</u>	<u>-</u>	<u>-</u>	<u>2,832</u>	<u>900</u>

*Due in over one year*

City Church Liverpool participates in a group defined benefit pension scheme, known as Elim Ministers Pension Fund, where the main employer is Elim Foursquare Gospel Alliance. This church pays a contribution that reflects the benefits earned in the current period and provides to pay additional contributions to the scheme relating to past service (the last actuarial valuation at 31 December 2018 indicated that the obligation to provide defined benefits gives rise to a funding deficit).

The charity has been advised that there is a liability for one staff member of £105,163 as at 31Dec2020.

<b>D Assets retained for charity's own use</b>	Value 2020
	£
Freehold building	1,411,200
Contents and equipment	46,000
	<u>1,457,200</u>

The freehold building insurance value referred to above represents the insurers reinstatement value for Elim Church, Jubilee Drive.

The trustees have used insurance values as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

The accounts were approved by the trustees and signed on their behalf

by Susan Latham date 28 September 2021

The notes on pages 9-10 form part of these accounts.

**CITY CHURCH TRUST, LIVERPOOL**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

**1 Accounting policies**

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

		<u>Unrestricted Funds</u>		Restricted Funds	Total 2020	Total 2019
		General funds	Designated funds			
		£	£	£	£	£
<b>2 Payments in relation to charitable activities undertaken directly</b>						
Staff costs (salaries, pension, training, expenses)	Note 4	63,230	-	-	63,230	58,773
Building operating costs		7,409	-	-	7,409	8,093
Equipment & repairs		15,526	-	-	15,526	4,080
Visiting speakers and ministry costs		517	-	-	517	1,652
Breakfast Café and other catering costs		1,666	-	-	1,666	3,322
Youth, Children's, and other ministries		949	-	5,334	6,283	6,329
Administration and support costs		5,873	-	-	5,873	3,820
Independent examination		918	-	-	918	922
Other		238	-	29	267	1,717
		<u>96,326</u>	<u>-</u>	<u>5,362</u>	<u>101,688</u>	<u>88,707</u>
<b>3 Grants and gifts paid to others</b>						
Organisations:						
Overseas mission		987	-	-	987	600
Home missions		1,000	-	3,532	4,532	550
		<u>1,987</u>	<u>-</u>	<u>3,532</u>	<u>5,519</u>	<u>1,150</u>

**CITY CHURCH TRUST, LIVERPOOL**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

**4 Transactions with related parties**

James Earnshaw, the son of trustee Graham Earnshaw, a trustee to April 2020, is employed as Minister in Training and was paid £18,314 [2019: £15,525]. Graham Earnshaw has no involvement in any discussions in relation to employment matters regarding his son.

David Latham, spouse of Susan Latham, a trustee from July 2019, is employed as a Minister and was paid £34,858 [2019: £34,858]. Susan has no involvement in any discussions in relation to employment matters regarding her husband.

**5 Movement of funds**

	Balance at 31Oct2019	Receipts	Payments	Transfers	Balance at 31Oct2020
	£	£	£	£	£
General funds	118,336	72,811	(98,313)	(1,845)	90,989
Designated funds					
Legacy	-	76,467	-	-	76,467
	<u>118,336</u>	<u>149,278</u>	<u>(98,313)</u>	<u>(1,845)</u>	<u>167,456</u>
Restricted funds					
Shepherds Purse fund	148	93	(370)	300	172
Community Outreach Project	2,600	-	(208)	-	2,392
Samaritan's Purse - Community Care Grant	-	3,000	(2,983)	-	17
Kenny Carols 2019	-	3,789	(5,334)	1,545	-
	<u>2,748</u>	<u>6,882</u>	<u>(8,895)</u>	<u>1,845</u>	<u>2,581</u>
Total funds	<u>121,084</u>	<u>156,160</u>	<u>(107,207)</u>	<u>-</u>	<u>170,037</u>

The legacy received in the year has been put into a designated fund while the trustees consider the use of these funds.

The Shepherds Purse fund is to help members of the community in need.

The Community Outreach Project relates to a grant to be used for the benefit and support of the poor and disadvantaged in our local community.

The Samaritan's Purse Community Care grant is for the purpose of providing PPE kits and funding for vital community projects.

Kenny Carols was a community-based evangelistic event that ran in December 2019.