

# City Church Trust, Liverpool

Report and Accounts

Year ended 31 October 2021

**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 2021**

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 Ann Harding (appointed August 2021) Susan Latham John Fretwell
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 OCTOBER 2021**

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 October 2021.

#### **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.

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

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

David Latham continued as senior minister of City church and is part of a leadership team along with his wife Susan. James Earnshaw is associate minister and Catherine his wife completes the team. David and James are both salaried leaders.

#### **Ministers report**

This year was affected greatly by the covid pandemic and so services were disrupted. When allowed we opened by adhering to government measures and risk assessments. When not open we continued online using zoom and social media to minister to and support the congregation. The senior minister was able to access the government Coronavirus Job retention scheme.

We welcome all who attend City Church and teach any who wish to know about the love of Christ. We meet on a Sunday and during the week in people's homes, to study the bible and maintain friendships. We have in place a pastoral team and also seek to reach out to the community. We had picnics in the park and bonfire night events and film nights. Neighbourhood food parcels were given out and community visiting. A gift was given by the Billy Graham Organisation and distributed by Samaritan's purse. Computers were given to Sacred Heart school and gifts in the community.

In March 2021 we had a small team from YWAM join us on a placement. They have served on the youth team, with our 18-30s group and in the media. Their input has been very appreciated. 2 stayed for 6 months and 2 more have continued with us.

## **Evangelism**

We ran a pop-up street cafe between May - August to offer a place for passers by to have a hot drink and cake. This was outside for covid safety. We served over 200 people over 4 months seeing people visit the church as a result.

We staged our 4th Kennycarols with the usual brass band along with games, creative items and evangelistic message and a fairtrade stall. It was well supported by the community. We had some street evangelism offering to pray with people during this difficult time. We spoke with over 100 people and gave away 60 copies of Steps to Peace with God.

## **Children's Church**

Children's church has adapted its approach to suit the needs of the children and families during lockdowns and during gatherings with restrictions. Over this period, we have strengthened our pastoral support through prayer support, home visits and shared videos. As a community, this has begun to bridge gaps and forge closer relationships within the church. This is something we want to build upon. When we have been able to meet, we've been creative in how we deliver sessions and tried to create ways of having fun and friendship whilst maintaining covid safe procedures. Our team is continuing to build up and we've added more volunteers.

## **Youth ministry**

We have had both live and zoom meetings over the year including movie nights, games and quiz nights, a thanksgiving meal and various discussions around faith issues. We were involved in main church events like picnics and street cafes. Youth leaders have sought to encourage by meeting one to one. We have joined with live streamed events at times. The young people are also involved in serving in the media team and in the worship band.

## **Property**

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

## **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 Trustees meetings, which occur at least three times per year. Where possible we seek to insure major risks in respect of the buildings and employees. In addition, we have a safeguarding policy with ongoing training for our safeguarding coordinator. Also ensuring that all those who work with children and vulnerable adults on our behalf are cleared with the Disclosure and Barring Service (DBS).

All our other policies are under regular review by the trustees. These include GDPR and volunteer management.

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

Due to Covid-19 and the various lockdowns there were no services for the whole of January and February 2021 and parts of November 2020 and March 2021. Consequently, there has been a loss of income received from church services. There has been a welcomed increase in online giving. Due to the decrease in services and general church activity the senior pastor was placed on varying periods of furlough. There have been no redundancies. Funds were received from the Furlough / Coronavirus Job retention Scheme. Total annual income was £97,000 which includes money received from the Furlough / Coronavirus Job retention Scheme and the HMRC gift Aid payment for the 2019-2020 and 2020-2021 tax years.

The annual expenditure was £94,500, resulting in a small surplus for the year. The financial handling of salary payments and accountancy continues to be conducted by Stewardship Services.

### **Reserves policy**

At the year end, the charity's total funds from all sources amounted to £172,600. The trustees have determined that the charity should aim to hold unrestricted money of no less than £47,000 (which equates to about 6 months unrestricted expenditure) so that the charity could continue to operate should income and / or expenditure vary adversely. £2,100 is held in restricted funds and £76,500 in the designated fund which means the charity is holding funds of £47,000 over and above the 6-month reserve and the previously mentioned funds.

The charity is holding these excess funds for the following reasons:

- offsetting the long-term pattern of annual expenditure exceeding income and the resultant annual deficits; the changing staffing profile and its unknown impact on the salary bill; the possibility of reduced income due to no Sunday offering being received should further lockdowns due to Covid-19 be advised or mandated
- there is a general deterioration in the fabric of the old building that the church occupies. The roof is old; there are serious 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; a significant number of steps and a stairway have to be negotiated in order to gain entry to any part of the building and this is proving problematic
- 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 use the designated fund.

The intention is that at all future trustees' meetings these excess unrestricted funds and the 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.

**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 have discussed making amendments to the governing document but have decided to instruct their solicitor to prepare detailed notes to accompany the trust deed to make it more understandable rather than making changes to the original document.

**Responsibilities of Trustees**

Charity law requires us 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 regularities.

**Approval**

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

Susan Latham

Date: 16 June 2022

**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 2021 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: 22 June 2022

**CITY CHURCH TRUST, LIVERPOOL**  
**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE YEAR ENDED 31 OCTOBER 2021**

	Notes	<u>Unrestricted Funds</u>		Restricted Funds	Total 2021	Total 2020
		General Funds	Designated Funds			
		£	£	£	£	£
<b>Income receipts</b>						
Donations		60,566	-	231	60,797	53,701
Gift aid receipts		18,784	-	-	18,784	10,814
Legacies		-	-	-	-	76,467
Government grants		16,908	-	-	16,908	10,772
Other grants		-	-	-	-	3,000
Rental income		-	-	-	-	300
Income from charitable activities		318	-	-	318	597
Interest		44	-	-	44	328
Other		167	-	-	167	-
		<u>96,786</u>	<u>-</u>	<u>231</u>	<u>97,017</u>	<u>155,980</u>
<b>Capital and similar receipts</b>						
Sale of fixed assets		-	-	-	-	180
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>180</u>
<b>Total receipts</b>		<u>96,786</u>	<u>-</u>	<u>231</u>	<u>97,017</u>	<u>156,160</u>
<b>Payments</b>						
Payments in relation to charitable activities undertaken directly	2	87,869	-	17	87,885	101,688
Grants paid in relation to charitable activities undertaken by others	3	5,525	-	1,035	6,560	5,519
<b>Total payments</b>		<u>93,394</u>	<u>-</u>	<u>1,051</u>	<u>94,445</u>	<u>107,207</u>
Net of receipts / (payments) before transfers		3,392	-	(820)	2,572	48,953
Transfers between funds	5	(318)	-	318	-	-
<b>Net movement in funds</b>		<u>3,075</u>	<u>-</u>	<u>(503)</u>	<u>2,572</u>	<u>48,953</u>
Cash funds as at last year end		90,989	76,467	2,581	170,037	121,084
<b>Cash funds at this year end</b>	A	<u>94,064</u>	<u>76,467</u>	<u>2,078</u>	<u>172,609</u>	<u>170,037</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 2021**

	Unrestricted Funds		Restricted funds	Total 2021	Total 2020
	General funds	Designated funds	funds	£	£
	£	£	£	£	£
<b>A Cash funds</b>					
Held at bank	93,480	76,467	2,078	172,024	169,488
Unbanked offerings	421	-	-	421	378
Petty cash	163	-	-	163	171
	<u>94,064</u>	<u>76,467</u>	<u>2,078</u>	<u>172,609</u>	<u>170,037</u>
<b>B Other monetary assets</b>					
Gift aid due to charity	7,279	-	-	7,279	9,729
	<u>7,279</u>	<u>-</u>	<u>-</u>	<u>7,279</u>	<u>9,729</u>
<b>C Liabilities</b>					
<b>Falling due within one year:</b>					
Pension due	416	-	-	416	794
Fee for Independent Examination	930	-	-	930	918
Accrued expenses	-	-	-	-	1,120
	<u>1,346</u>	<u>-</u>	<u>-</u>	<u>1,346</u>	<u>2,832</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.

**D Assets retained for charity's own use**

	Value 2021	Value Total
	£	£
Freehold building	1,481,800	1,411,200
Contents and equipment	46,100	46,000
	<u>1,527,900</u>	<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 16 June 2022

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 2021**

**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 2021	Total 2020
		General funds	Designated funds			
		£	£	£	£	£
<b>2 Payments in relation to charitable activities undertaken directly</b>						
Staff costs (salaries, pension, training, expenses)	Note 4	61,833	-	-	61,833	63,230
Building operating costs		7,877	-	-	7,877	7,409
Equipment & repairs		7,478	-	-	7,478	15,526
Visiting speakers and ministry costs		1,008	-	-	1,008	517
Breakfast Café and other catering costs		1,233	-	-	1,233	1,666
Youth, Children's, and other ministries		2,255	-	-	2,255	6,283
Administration and support costs		4,818	-	-	4,818	5,873
Independent examination		936	-	-	936	918
Other		431	-	17	448	267
		<u>87,869</u>	<u>-</u>	<u>17</u>	<u>87,885</u>	<u>101,688</u>
<b>3 Grants and gifts paid to others</b>						
Organisations:						
Overseas mission		600	-	-	600	987
YWAM		4,525	-	-	4,525	-
Other home mission		400	-	1,035	1,435	4,532
		<u>5,525</u>	<u>-</u>	<u>1,035</u>	<u>6,560</u>	<u>5,519</u>

**CITY CHURCH TRUST, LIVERPOOL**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2021**

**4 Transactions with related parties**

David Latham, spouse of trustee Susan Latham, was employed as a Minister to [date] and was paid £34,858 [2020: £34,858]. James Earnshaw, the son-in-law of trustee Susan Latham, is employed as Minister in Training and was paid £18,314 [2020: £18,314]. Susan had no involvement in any discussions in relation to employment matters regarding either employee.

No other payments were made to trustees or persons related to them, except for reimbursement of expenses paid out on behalf of the charity.

**5 Movement of funds**

	Opening balance £	Receipts £	Payments £	Transfers £	Closing balance £
General funds	90,989	96,786	(93,394)	(318)	94,064
Designated funds					
Legacy	76,467	-	-	-	76,467
	<u>167,456</u>	<u>96,786</u>	<u>(93,394)</u>	<u>(318)</u>	<u>170,530</u>
Restricted funds					
Shepherds Purse fund	172	231	(537)	200	66
Community Outreach Project	2,392	-	(380)	-	2,012
Samaritan's Purse - Community Care Grant	17	-	(134)	118	-
	<u>2,581</u>	<u>231</u>	<u>(1,051)</u>	<u>318</u>	<u>2,078</u>
Total funds	<u>170,037</u>	<u>97,017</u>	<u>(94,445)</u>	<u>-</u>	<u>172,609</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.