

Charity registration number 107435

Company registration number NI636419 (Northern Ireland)

THE CORNERSTONE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023

THE CORNERSTONE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr T Bennett Mr M Johnson Pastor W Murphy
Charity number	107435
Company number	NI636419
Principal address	4 Thornleigh Drive Lisburn BT28 2DA BT28 2DA
Registered office	4 Thornleigh Drive Lisburn BT28 2DA BT28 2DA
Independent examiner	GMcG LISBURN Century House 40 Crescent Business Park Lisburn BT28 2GN
Bankers	Santander Bridle Road Bootle Merseyside L30 4GB

THE CORNERSTONE TRUST

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THE CORNERSTONE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2023

The trustees present their annual report and financial statements for the year ended 28 February 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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).

Objectives and activities

The Cornerstone Trust ("Cornerstone") was established, in its current format, to support the Evangelical Church in the Canary Islands in spreading the Gospel, and in particular to assist the Jinamar church in Gran Canaria.

However due to the Pastor relocating, the charity's work was very limited in the year and no support was provided to Jinamar church. The trustees are currently considering their options with regard to other workers or organisations they can support going forward.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The Board met a number of times during the year both formally and informally. Discussions centred around what the next steps were for The Cornerstone Trust. Without any worker in the Canary Islands for us to support we contemplated supporting individual church projects. However, with the lack of oversight that we as a Board could provide from Northern Ireland to individual projects happening on the ground in the Islands, we felt that it would be too much of a risk to the funds provided by our donors.

We also discussed the lack of experience/skill set that we possess in terms of completing all of our HMRC / Companies House / CCNI annual returns. With the numerous reminders that legal action could be taken against us by the CCNI, it was agreed that we would close the Cornerstone Trust as both a Charity and a Company once we had completed any outstanding returns.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

THE CORNERSTONE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

Structure, governance and management

The charity is a company limited by guarantee and governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr T Bennett

Mr M Johnson

Pastor W Murphy

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees' report was approved by the Board of Trustees.

Dr T Bennett

Trustee

29 November 2023

THE CORNERSTONE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE CORNERSTONE TRUST

We report to the trustees on our examination of the financial statements of The Cornerstone Trust (the charity) for the year ended 28 February 2023.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied ourselves that the charity is not subject to audit under company law, and is eligible for independent examination, it is our responsibility to:

- examine the accounts under section 65 of the Charities Act (Northern Ireland) 2008;
- follow the procedures laid down in the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act; and
- state whether particular matters have come to our attentions.

Independent examiner's statement

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 that there is further information needed for a proper understanding of the accounts to be reached.

We have completed our examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission for Northern Ireland, we have found no matters that require drawing to your attention.

GMcG LISBURN

Century House
40 Crescent Business Park
Lisburn
BT28 2GN

Dated: 29 November 2023

THE CORNERSTONE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Income from:</u>			
Donations and legacies	2	1,190	4,555
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	3	733	1,276
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		457	3,279
 Fund balances at 1 March 2022		 13,800	 10,521
		<hr/>	<hr/>
Fund balances at 28 February 2023		14,257	13,800
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CORNERSTONE TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Cash at bank and in hand		14,977		13,800	
Creditors: amounts falling due within one year	8	(720)		-	
Net current assets			14,257		13,800
Income funds					
Unrestricted funds			14,257		13,800
			14,257		13,800

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 29 November 2023 and signed on their behalf by:

Mr M Johnson
Trustee

Company registration number NI636419

THE CORNERSTONE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

Charity information

The Cornerstone Trust is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 4 Thornleigh Drive, Lisburn, BT28 2DA, BT28 2DA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE CORNERSTONE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

THE CORNERSTONE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	1,190	4,555

3 Charitable activities

	2023	2022
	£	£
Sundry expenses	-	600
Legal and professional fees	13	676
Accountancy	720	-
	733	1,276
	733	1,276

4 Description of charitable activities

To support the Evangelical Church in the Canary Islands in spreading the Gospel.

5 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

6 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

7 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

THE CORNERSTONE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

8 Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	720	-
	<u>720</u>	<u>-</u>

9 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).