

**CORNERSTONE
CITY CHURCH**

**Trustee Annual Report and
Financial Statements 2022**

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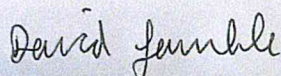
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INTRODUCTION

This is the Trustee Annual Report for Cornerstone City Church as required by the Charity Commission NI. This report relates to the financial year from 1st January 2022 to 31st December 2022.

This document has been prepared based on guidance provided by the Charity Commission NI.

Signed on behalf of Trustees: - 29th March 2023



David Gamble
Chairperson



John Loughery
Trustee

LEGALITIES

The church is registered as a charity under the name Cornerstone City Church but is also on occasion referred to just as Cornerstone or Cornerstone Church.

The church is registered with the Charity Commission under the number NIC102984, and with Her Majesty's Revenue & Customs (HMRC) under the reference XR25207.

The principal address of the church and of its office is...

40 Duke Street

L'Derry

BT47 6DQ

TRUSTEE NAME	SERVED DURING 2022
David Gamble	Yes
John Loughery	Yes
Carolyn Smith	Yes

MAIN ACTIVITIES TO FURTHER PUBLIC BENEFIT

#1 The Advancement of Religion

Our principle activity and purpose is to provide a Christian place of worship in the Derry/Londonderry area for all those who wish to participate on a temporary or longer-term basis. The direct benefits that flow from this purpose include open public access to Sunday services (including prayer, praise, worship, and Christian teaching), midweek prayer/bible study groups and pastoral services. Additional benefits include contribution to the mental, spiritual and emotional health and wellbeing of members and contribution to moral improvement in society. These benefits are demonstrated through numbers of formal members, and attendance at Sunday services and midweek prayer/bible study groups. The purposes of our charity may lead to harm if people feel pressured to join or stay in our church, but we can show that this potential harm is heavily outweighed by the benefits through the fact that people may choose freely to join, stay or leave membership at any time. The only private benefit flowing from this purpose is payment of Pastoral Church Leaders or other staff, and this is incidental, necessary and integral to the furtherance of the charity's purposes.

Our church offices are open to all during normal working hours, and our church building is open to all for specific church services and meetings. We deliver Sunday services, midweek prayer/bible study groups, pastoral support, faith-based conferences, worship events, and outreach.

#2 The Prevention or Relief of Poverty

The first direct benefit which flows from this purpose includes the alleviation of debt related poverty to all those in debt in the Foyle area who wish to use the service. These benefits are demonstrated through the provision of the Foyle 'Christians Against Poverty' (CAP) branch, the numbers of service users, and the number of budget management courses run. Another direct benefit that flows from this purpose includes the relief of poverty by providing food and clothes through our newly established Hope Centre. These benefits are demonstrated through the users of the Hope Centre, and the number of food parcels handed out to those in need. It is difficult to imagine a scenario where there may be harm or detriment that outweighs the good work being carried out. If service users felt forced to join the church as a result of engaging with the Hope Centre or debt advice this could perhaps lead to harm, however this harm is outweighed by the benefits through ensuring staff are fully trained to mitigate this possibility happening. The only private benefit flowing from this purpose is the payment of one Christians Against Poverty staff member and one Hope Centre staff member. This is incidental and necessary because the services require these two paid roles in order to function.

We run the Foyle branch of 'Christians Against Poverty' in the Derry/Londonderry area to people in debt who refer themselves to our service. This is a service that works to address the cause of poverty, and debt as a cause of poverty. We provide practical money management courses, advice and debt counselling services, and occasional small emergency support e.g. food packages. In November 2019 we opened 'The Hope Centre' to meet the practical needs of people in Derry/Londonderry through the provision of food, clothes, and other services. We also work in partnership with other agencies within the city, who refer people in need of practical help to our Hope Centre. In response to the Corona-Virus pandemic we converted our Foodbank into a 'Drive-Thru Foodbank' from April 2020. This saw a significant increase in the volume of people using the services of the Foodbank in both 2020, 2021 and throughout 2022.

#3 The Advancement of Human Rights, Conflict Resolution, Reconciliation, and the Promotion of Religious Harmony, Racial Harmony, Equality and Diversity.

The direct benefits that flow from this purpose include the promotion of reconciliation to the public in the Foyle area. These benefits are demonstrated through the numbers of reconciliation or cross-community activities led by or engaged by church members through the church. The purposes of our charity may lead to harm if the staff or volunteers with inexperience in the field of reconciliation were not fully briefed, but we can show that this harm is outweighed by the benefits through ensuring our staff and volunteers are appropriately trained and prepared. The only private benefit flowing from this purpose is training, skills and experience provided to staff and volunteers, and this is incidental and necessary because it is needed in order to deliver this benefit.

We work alongside other churches in the interests of reconciliation and promotion of religious harmony. Through the Hope Centre we have been partnering with Probation NI to provide a safe space for individuals to complete their community service hours. We also run an 'I Heart Derry' outreach week annually providing children's work and community development/relations activities in different areas of Derry/Londonderry to people of diverse identities.

We have regarded to all statutory guidance for the provision of these public benefits. The charities beneficiaries for the above purposes are primarily those residents in the Derry/Londonderry area who choose to engage in Christian worship through the church. Wider beneficiaries are the public who use our 'Christians Against Poverty' debt service, the Hope Centre, Street Pastors service, or who engage with our other community activities.

REVIEW OF PUBLIC BENEFIT OUTCOMES FOR 2022

#1 The Advancement of Religion

OUTCOME: Throughout the year we effectively created open access for members of the public to attend Sunday services, which provide a space for people to worship God, pray together and grow in their faith. This is further enhanced by opportunities to join together for midweek prayer/ bible study groups.

ACTIVITY: We held weekly Sunday services that were predominantly attended by members of Cornerstone, but some others from the local area also attended. We also held weekly midweek prayer/bible study groups throughout the year.

IN-PERSON STATISTICS:

Adult Members	130
Children (Under 18) of Adult Members	70
Average Weekly Attendance	160
Average Weekly Adult Attendance	120
Average Weekly Children (Under 12) Attendance	40
Midweek Groups	8
Midweek Groups Attendance	75

#2 The Prevention or Relief of Poverty

OUTCOME: Our 'Christians Against Poverty' (CAP) free debt service enabled people from the Derry/Londonderry area to begin the process of becoming debt free as well as learning how to better budget their finances going forward. Our Hope Centre, which opened in November 2019, supported multiple people in need from Derry/Londonderry through our Food Bank & Clothing Bank.

ACTIVITY: Our CAP manager meets each potential client up to three times to gather information regarding their current debt, income/expenditure levels to ascertain the best way forward for each client, which often includes creating a budget and repayment plan. We also, if required, provide extra support through trained volunteers. Our Hope Centre meets the practical needs of individuals within Derry/Londonderry by providing food and clothes, and also signposts people to other services available within the city.

STATISTICS:

CAP Clients	10
New CAP Clients	6
CAP Clients Debt Free	0
Hope Centre Clients (Est.)	300 (households)
Hope Centre Food Parcels Deliveries (Est.)	1,000 (households)
Hope Centre Christmas Hampers	120 (households)
Hope Centre Christmas Toy Vouchers	35 (households)
Money Spent on Food Parcels	£24,500



#3 The Advancement of Human Rights, Conflict Resolution, Reconciliation, and the Promotion of Religious Harmony, Racial Harmony, Equality and Diversity.

OUTCOME: Our Street Pastor Teams provide soft intervention promoting peace and reconciliation where there may be potential conflict. Our 'I Heart Derry' outreach week engages and impacts both children and adults from all sectors of the community bridging potential divides.

ACTIVITY: On the first week of July we host our annual I Heart Derry outreach week. As part of that week, we hosted a kids club, football camp and carried out clean-up projects in a few local communities.

STATISTICS:

I Heart Derry Volunteers	50
Kids Week Attendance	60
Football Camp Attendance	35

Statement of Trustees' responsibilities in respect of the Annual Report and the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The law applicable to charities in Northern Ireland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities FRS102 SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 2008 the applicable Charities (Accounts and Reports) Regulations (Northern Ireland) 2015, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation.

Independent examiners report to the charity trustees of Cornerstone City Church

I report on the accounts of the charity for the year ended 31 December 2022, which are set out on pages 12 to 18

Respective responsibilities of charity trustees and examiner

As the charity trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act (Northern Ireland) 2008.

It is my responsibility to:

Examine the accounts under section 65 of the Charities Act

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

State whether particular matters have come to my attention

Basis of independent examiner's report

I have examined your charity accounts as required under section 65 of the Charities Act and my examination was carried out in accordance with the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act. The examination included a review of the accounting records kept by the charity and a comparison of any unusual items or disclosures in the accounts, and seeking explanations from you as charity trustees concerning any such matters.


My role is to state whether any material matters have come to my attention giving me cause to believe:

1. That accounting records were not kept in accordance with section 63 of the Charities Act.
2. That the accounts do not accord with those accounting records
3. That the accounts do not comply with the accounting requirements of the Charities Act
4. That there is further information needed for a proper understanding of the accounts to be reached.

Independent Examiners Statement

As the charity's gross income did exceed £250,000, I can confirm that I am a registered member of the Institute of Chartered Accountants in Ireland and am qualified to undertake the examination.

I have completed my 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, I have found no matters that require drawing to your attention.

Signed: 

Name: David Joseph James Douglas FCA (Chartered Accountant)

Address: 1 Caw Hill Park, Londonderry BT47 6LU

Date: 3rd April 2023

Cornerstone City Church
Statement of Financial Activities
Year Ending 31 December 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Prior Year 2021 £
Income					
Voluntary Income (Tithes, Gifts, Special Offerings)	2	238110	0	238110	179632
Other Income for Charitable Purposes	3	51882	12379	64261	76681
Interest receivable	4	0	0	0	65
Total income		289992	12379	302371	256378
Expenditure					
<i>Costs of raising funds</i>		-	-	-	-
<i>Expenditure on charitable activities</i>					
Staff Costs		107129	-	107129	118335
Gifts, Donations, Sponsorships	5	68133	174	68307	52853
Admin Expenses	6	58079	9548	67627	44721
Total expenditure		233341	9722	243063	215909
Net expenditure and net movement in funds for the year		56651	2657	59308	40469
Net gains/losses on investments		-	-	0	-
Net movement in funds		56651	2657	59308	40469
Total Funds brought forward		33413	650262	683675	643206
Transfers (net)		-51619	51619	0	0
Total Funds carried forward		38445	704538	742983	683675

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

Cornerstone City Church
Balance Sheet
Year Ending 31 December 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Prior Year 2021 £
Fixed assets					
	7				
Property		-	861263	861263	851242
Equipment and Vehicles		17700	-	17700	17700
Total Fixed Assets		17700	861263	878963	868942
Current assets					
Debtors and accrued income		0	0	-	0
Cash at bank and in hand	8	28163	1624	29787	28035
Total Current Assets		28163	1624	29787	28035
Liabilities					
Creditors falling due within one year	9	-7417	0	-7417	-6370
Net Current assets		20746	1624	22370	21665
Total assets less current liabilities		38446	862887	901333	890607
Creditors falling due after one year	10	0	-158350	-158350	-206932
Net assets		38446	704537	742983	683675
Restricted income funds	11	0	704538	704538	650262
Unrestricted income funds		38445	0	38445	33413
Total Funds carried forward		38445	704538	742983	683675

Cornerstone City Church
Statement of Cashflows
Year Ending 31 December 2022

Note	Total Funds 2022 £	Prior Year 2021 £
Net movement in funds	59308	40469
Addback Loans Advanced	0	40000
Deduct Loans Repaid	-48582	-20596
Addback Depreciation	0	4500
Deduct Fixed Asset Additions	-10021	-120253
Decrease/(increase in debtors)	0	0
Increase/(decrease in creditors)	1047	548
Net cash used in operating activities	-57556	-95801
<i>Cashflows from investing activities</i>		
Interest and dividends	0	-65
Investments made	-	-
Net cash provided by investing activities	0	-65
Change in cash equivalents in year	1752	-55397
Cash and cash equivalents brought forward	28035	83432
Cash and cash equivalents carried forward	29787	28035

Cornerstone City Church
Notes
Year Ending 31 December 2022

1 ACCOUNTING POLICIES

Statement of Compliance

The financial statements have been prepared on a going concern basis. The Trustees do not believe that there are any factors or material uncertainties which would impact on the assessment of this. The financial statements have been prepared in accordance with the Financial Reporting Standard 102 and the Statement of Recommended Practice (SORP - FRS102) "Accounting and Reporting by Charities" published in July 2014, as required by the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015. These statements have been prepared on an accruals basis as required by the SORP. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. A summary of the more important accounting policies, which have been applied consistently, are set out below.

Incoming resources

Voluntary income

Voluntary income is received by way of donations, gifts and legacies (including any associated gift aid relief) and is included in full in the Statement of Financial Activities when received.

Other Incoming Resources

This income relates to amounts received as a result of the charitable status. The income comprises grants and miscellaneous income. These are accounted for in the period to which they relate (rather than the period when they are received).

Resources expended

All expenditure is accounted for in the period to which it relates (rather than when it is paid) and has been classified under headings that aggregate all costs related to the category. The costs in this category represent the running costs of the Church

Charitable activities

These are costs associated with the various ministries and activities of the Church and its' contribution to Christian works within the UK and throughout the world. These costs are accounted for based on the timing of the decision to allocate funds rather than when the payment is made.

Tangible fixed assets

Assets are stated at cost less accumulated depreciation

Cornerstone City Church
Notes
Year Ending 31 December 2022

2 VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Tithes	119328		119328	105628
Other Gifts, Grants and Donations	87355		87355	38450
Gift Aid	31427		31427	35554
	238110	0	238110	179632

3 CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Building Fund		12379	12379	36166
Hope Centre - Compassion	30705		30705	35212
CAP Income	2050		2050	1487
CSM Income	2464		2464	1145
ZOC Income	900		900	400
I Heart Derry (incMissions)	11255		11255	0
Youth/Children's Ministry Income	945		945	0
Women's Ministry Income	1153		1153	0
Various Other Missions Income	2410		2410	2271
Income for Charitable Purposes	51882	12379	64261	76681

4 Investment Income

	0		0	65
TOTAL INCOME	289992	12379	302371	256378

Cornerstone City Church
Notes
Year Ending 31 December 2022

5 GIFTS,DONATIONS,SPONSORSHIP

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Building Fund		174	174	1203
Hope Centre - Compassion	26134		26134	30793
CAP	3762		3762	3937
Youth/Children's Ministries	700		700	1706
CSM	1442		1442	821
ZOC	1200		1200	675
HOTS	0		0	250
Social Fund/Other Agencies	396		396	0
I Heart Derry	14497		14497	0
Dwelling Place Team	3859		3859	0
Other Missions Support	16143		16143	13468
	68133	174	68307	52853

6 ADMIN EXPENSES

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
Vehicle Running Costs	3067		3067	1648
Repairs and Maintenance,Cleaning	10638		10638	2762
Travel Costs	3081		3081	359
Insurance inc Health	6174		6174	3638
Rent and Rates	363		363	270
Light and Heat	18166		18166	9360
Office Costs	1486		1486	4859
Subscriptions inc CCI	6498		6498	4765
Telephone Costs	1133		1133	1401
Accountancy Fees	1200		1200	1456
Bank Charges	243		243	439
Bank Interest		9548	9548	7033
Meals and Catering,Special Events	4381		4381	1176
Depreciation	0		0	4500
Sundry Expenses	1649		1649	1055
	58079	9548	67627	44721
Total	<u>126212</u>	<u>9722</u>	<u>135934</u>	<u>97574</u>

Cornerstone City Church
Notes
Year Ending 31 December 2022

Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Prior Year 2021 £
7 Fixed Assets				
Duke Street - Purchase	0	352737	352737	352737
Duke Street - Improvements	0	508526	508526	498505
Motor Vehicles	1200	0	1200	1200
Equipment	16500	0	16500	16500
Total	17700	861263	878963	868942
8 Bank & Cash				
Bank Current a/c - No1 a/c	28163	0	28163	22083
Bank Current a/c - Building Fund	0	1624	1624	5952
Cash	0	0	0	0
Total	28163	1624	29787	28035
9 Creditors within 1 year				
Trade Creditors	796	0	796	446
PAYE/NIC Due	1635	0	1635	1142
Nest Pension Due	348	0	348	319
Album Accrual	644	0	644	644
Credit Card	3334	0	3334	3159
Other Accruals	660	0	660	660
Total	7417	0	7417	6370
10 Creditors after 1 year				
Bank Mortgage	0	136766	136766	150669
New Loan	0	21584	21584	39563
Interest Free Loan	0	0	0	16700
Total	0	158350	158350	206932
11 Building Fund				
Balance b/f	0	650262	650262	555216
Increase for Year	-	12379	12379	42904
Decrease for Year	-	-9722	-9722	-8236
Transfer of Funds		51619	51619	60378
Balance c/f	0	704538	704538	650262
12 Unrestricted Reserves				
Balance b/f	33413	0	33413	87990
Increase for Year	289992	0	289992	213474
Decrease for Year	-233341	0	-233341	-207673
Transfer of Funds	-51619		-51619	-60378
Balance c/f	38445	0	38445	33413
Total Reserves	38445	704538	742983	683675