

Charity Registration No. 519061

**CHURCHES TOGETHER IN THE MERSEYSIDE REGION  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## LEGAL AND ADMINISTRATIVE INFORMATION

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|-----------------------------|---|--|
| <b>Trustees</b>             | Rt Rev Richard Blackburn<br>Miss Claire Davidson<br>Rt Rev Mark Davies<br>Mrs Linda Jones<br>Rev Philip Jump<br>Prof Hilary Russell<br>Rt Rev Keith Sinclair<br>Rt Rev Thomas Williams<br>Rev Dr Sheryl Anderson<br>Rev Jacky Embrey<br>Major Drew McCombe<br>Most Rev Malcolm McMahon<br>Rt Rev P Bayes<br>Rev Andrew Edwards<br>Mr Neil Cunningham<br>Mrs Janet Lasham<br>Mr Utan Russell | (Appointed 8 June 2016)<br>(Appointed 8 June 2016)<br>(Appointed 8 June 2016)<br>(Appointed 8 June 2016) |
| <b>Charity number</b>       | 519061  |  |
| <b>Principal address</b>    | Quaker Meeting House<br>22 School Lane<br>Liverpool<br>L1 3BT   |  |
| <b>Independent examiner</b> | Mrs L Malkin FCA<br>BWM<br>Castle Chambers<br>43 Castle Street<br>Liverpool<br>L2 9SH   |  |
| <b>Bankers</b>              | HSBC Bank plc<br>99-101 Lord Street<br>Liverpool<br>L2 6PG  |  |
| <b>Solicitors</b>           | Hill Dickinson<br>No. 1 St Paul's Square<br>Liverpool<br>L3 9SJ   |  |

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# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

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# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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The trustees present their report and accounts for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Trust Deed, the Charities Act 2011 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 2015)"

### **Objectives and activities**

The Charity's objects, under the guidance of the Holy Spirit, are:

- To draw the churches in membership of the Charity into a fuller understanding of the Gospel
- To promote the visible unity and mission of the Church at every level of Church life as an effective instrument of God's purpose for the local and wider community
- To encourage and enable the Churches to make decisions together where possible
- To give expression to the common faith, baptism and devotion of Christians as they seek to apply the "Lund principle" - to do everything together, except that which in conscience must be done separately

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

### **Details of activities**

The bulk of CTMR's activities consist of co-ordinating the life of the major Christian denominations in the area by means of:

- establishing and developing joint projects
- providing opportunities for joint meetings, study sessions, conferences, forums, assemblies
- regular newsletters and mailings

SAS's activities comprise largely the raising of funds for the provision of charitable support for asylum seekers and refugees in the area.

- by relieving poverty and destitution
- by contributing to projects promoting their wellbeing

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2016*

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### **Achievements and performance**

The routine work of Churches Together in the Merseyside Region – supporting ecumenical partnerships, encouraging work and relationships across denominations and traditions, and co-ordinating the Churches readiness in case of major incident - continued during 2016.

The CTMR constitution was revised.

Church Leaders continue to meet quarterly to determine the overall strategy of CTMR and maintain co-ordinating oversight of its core activities; the Management Council also met quarterly to ensure implementation of decisions made.

With support of Liverpool City Council the 2 Cathedrals Service was a major event in 2016 with services at both Cathedrals as well as open air performance art for the city.

We supported Merseyside Council of Faiths who has revised and streamlined its Constitution. It now has joint Chairs one nominated for the Christian communities (Revd Dr Sheryl Anderson) and one for the other members of the faith communities (Dr Shiv Pande, MBE, DL). The Council has made statements on matters of concern including the Paris Bombings. Police liaison, links with the emergency service, the work of Hope+ Foodbank and Liverpool Community Spirit's ground breaking work with multi faith groups of young people have been among agenda items. The Council is a member of the Interfaith Network for the United Kingdom.

The Köln - Liverpool Partnership Group continues its work. A delegation visited Köln in summer 2016 and began preparations both to mark the 500th Anniversary of Martin Luther's nailing his theses to the castle Church in Wittenberg and a series of events to mark the end of World War One spearheaded by the two Cathedrals. The Revd Bob Andrews has been succeeded by Ultan Russell as the Chair of the Partnership Group. The annual interchurch Epiphany Schools Service continues to fill the Cathedral and was at Liverpool Cathedral this year – it builds on a long tradition in Köln and is one of the best supported ecumenical events on Merseyside.

We continued to promote 'Make Christ part of your Christmas Tradition', and recorded and launched a CD with Christmas Carols in conjunction with Archbishop Blanch school pupils.

In conjunction with Asylum Link Merseyside, Together Liverpool and Liverpool Archdiocese Justice and Peace Group, CTMR have produced an addendum to last year's booklet: 'A guide: Refugees, Asylum Seekers & Migrants Welcoming the Stranger'. The new booklet is entitled 'Supporting English Language Learning' and has been distributed all over Merseyside and beyond. The booklet is free and available in both hard copy and pdf format from the above groups

The Support for Asylum Seekers [SAS] programme continued to fulfil its mandate of relieving destitution and distress among people who have sought asylum in Merseyside and then been failed by the system. They raise money from individuals, churches and other organisations which is used to pay for rent and food through the Destitution Project. Asylum Link Merseyside primarily delivers these services on behalf of CTMR. SAS also has links with other agencies that need to deliver destitution support or improve wellbeing, including Faiths4Change, MRANG and the Probation Service. Preparations continue to be made with local churches collaborating in providing shelter for a number of destitute people each night.

### **Financial review**

Overall income for the year amounted to £67,990, a decrease of £23,287 from the previous year.

After deduction of expenditure of £62,712 net income amounted to £5,278 as set out in the Statement of Financial Activities.

Total unrestricted funds as at 31 December 2016 are £22,187.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **Urban Fund**

During 2002, the Merseyside Churches Urban Institute, which was closing down, transferred its funds to MARCEA to be used in line with the Institute's purpose of promoting discussion and research on urban issues.

### **Reserves policy**

The unrestricted reserves are maintained to provide a financial cushion in the event of

- any possible shortfall in the income from the major denominational contributors;
- redundancy payments becoming necessary.

### **Grant making policy**

SAS makes weekly grants of up to £25 to asylum seekers deprived of statutory support. In case of persistent total deprivation, these are now continued beyond the original 10 week limit.

### **Risk policy**

The trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Structure, governance and management**

The Management Council of CTMR is the trustee body of the charity.

The trustees who served during the year were:

Rt Rev Richard Blackburn

Miss Claire Davidson

Rt Rev Mark Davies

Mrs Linda Jones

Rev Philip Jump

Prof Hilary Russell

Rt Rev Keith Sinclair

Rt Rev Thomas Williams

Rev Dr Sheryl Anderson

Rev Jacky Embrey

Major Drew McCombe

Most Rev Malcolm McMahon

Rt Rev P Bayes

Rev Andrew Edwards

(Appointed 8 June 2016)

Mr Neil Cunningham

(Appointed 8 June 2016)

Mrs Janet Lasham

(Appointed 8 June 2016)

Mr Utan Russell

(Appointed 8 June 2016)

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Membership of the Management Council of CTMR as appointed in accordance with section F(1) of the Constitution is as follows:

The Church Leaders specified in clause G(1)

|                   |   |
|-------------------|---|
| Baptist           | A Regional Minister appointed by the NWBA   |
| Church of England | The Bishop of Liverpool<br>The Bishop of Warrington<br>The Bishop of Birkenhead                 |
| Methodist         | The Chair of the Liverpool District   |
| Roman Catholic    | The Archbishop of Liverpool<br>The Auxiliary Bishop(s) of Liverpool<br>The Bishop of Shrewsbury |
| Salvation Army    | The Commander of the North Western Division   |
| United Reformed   | The Moderator of the Mersey Synod.  |

One member, lay or ordained, appointed by the authorised person or body of each of the following bodies:

- The Roman Catholic Archdiocese of Liverpool
- The Roman Catholic Diocese of Shrewsbury
- The Church of England Diocese of Liverpool
- The Church of England Diocese of Chester
- The Liverpool district of the Methodist Church
- The Mersey Synod of the United Reformed Church
- The North-Western Baptist Association
- The North-Western Division of the Salvation Army

One member appointed by the Management Council to represent the other churches in full membership, after appropriate consultation with those bodies.

The several honorary advisers for areas of concern appointed by the Management Council

The Honorary Treasurer of the Charity appointed by the Management Council

Up to three members co-opted by the Management Council for a renewable period of one year.

### Organisation

Churches Together in the Merseyside Region comprises churches and other bodies in categories of full membership, associate membership, affiliated membership and allied membership, as determined by the constitution. General control and management of the administration of the charity is exercised by the Management Council, which has power to appoint groups to act under its direction.

Support for Asylum Seekers (SAS) is an agency of CTMR set up to support asylum seekers. It became part of MARCEA (subsequently CTMR) on 1 January 2001.

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



**Rt Rev Thomas Williams**

Trustee

Dated: 27/9/2017

# **CHURCHES TOGETHER IN THE MERSEYSIDE REGION**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2016***

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The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial 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 year.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF CHURCHES TOGETHER IN THE MERSEYSIDE REGION

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I report on the accounts of the Charity for the year ended 31 December 2016, which are set out on pages 8 to 19.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for this report, or for the opinions I have formed.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has not been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## INDEPENDENT EXAMINER'S REPORT (CONTINUED)

### TO THE TRUSTEES OF CHURCHES TOGETHER IN THE MERSEYSIDE REGION

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In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
  - (ii) to prepare accounts which accord with the accounting records, and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**Lesley Malkin BA FCA**

BWM  
Chartered Accountants  
Castle Chambers  
43 Castle Street  
Liverpool  
L2 9SH

Dated: ..... 31.12.17

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2016<br>£ | Total<br>2015<br>£ |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| <b><u>Income from:</u></b>               |       |                            |                          |                    |                    |
| Donations and legacies                   | 3     | 31,298                     | 36,664                   | 67,962             | 91,247             |
| Investments                              | 4     | 28                         | -                        | 28                 | 30                 |
| <b>Total income</b>                      |       | <b>31,326</b>              | <b>36,664</b>            | <b>67,990</b>      | <b>91,277</b>      |
| <b><u>Expenditure on:</u></b>            |       |                            |                          |                    |                    |
| Charitable activities                    | 5     | 29,036                     | 33,676                   | 62,712             | 84,720             |
| <b>Total expenditure</b>                 |       | <b>29,036</b>              | <b>33,676</b>            | <b>62,712</b>      | <b>84,720</b>      |
| <b>Net movement in funds</b>             |       | <b>2,290</b>               | <b>2,988</b>             | <b>5,278</b>       | <b>6,557</b>       |
| Fund balances at 1 January 2016          |       | 19,897                     | 36,091                   | 55,988             | 49,431             |
| <b>Fund balances at 31 December 2016</b> |       | <b>22,187</b>              | <b>39,079</b>            | <b>61,266</b>      | <b>55,988</b>      |

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## BALANCE SHEET

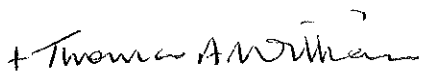
AS AT 31 DECEMBER 2016

|   | Notes | 2016<br>£     | £             | 2015<br>£     | £             |
|---|-------|---------------|---------------|---------------|---------------|
| <b>Current assets</b>                                 |       |               |               |               |               |
| Debtors   | 11    | 920           |               | 959           |               |
| Cash at bank and in hand                              |       | 65,177        |               | 71,779        |               |
|   |       | <u>66,097</u> |               | <u>72,738</u> |               |
| <b>Creditors: amounts falling due within one year</b> | 12    | (4,831)       |               | (16,750)      |               |
| <b>Net current assets</b>                             |       |               | <u>61,266</u> |               | <u>55,988</u> |
| <b>Income funds</b>                                   |       |               |               |               |               |
| Restricted funds                                      | 14    |               | 39,079        |               | 36,091        |
| <u>Unrestricted funds</u>                             |       |               |               |               |               |
| Designated funds                                      | 15    | 7,818         |               | 9,813         |               |
| General unrestricted funds                            |       | <u>14,369</u> |               | <u>10,084</u> |               |
|   |       |               | <u>22,187</u> |               | <u>19,897</u> |
|   |       |               | <u>61,266</u> |               | <u>55,988</u> |

The financial statements were approved by the trustees and authorised for issue on 27/9/2017 and are signed on its behalf by:



Mrs Janet Lasham  
Treasurer



Rt Rev Thomas Williams  
Chair of Management Council

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

#### Charity information

Churches Together in the Merseyside Region is a registered charity governed by its constitution. The principal address is the Quaker Meeting House, 22 School Lane, Liverpool.

#### 1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The Charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

#### 1.2 Going concern

At the time of approving the accounts, the trustees has 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 accounts.

#### 1.3 Charitable funds

Unrestricted funds represent the funds of CTMR that are not subject to any restrictions regarding their use and are available for application on the general charitable purposes of CTMR.

Designated funds are funds set aside by the trustees for a particular purpose and are also unrestricted.

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. The aim and use of each restricted fund is set out in the notes to the financial statements.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### 1.4 Income

Contributions from the member Churches are accounted for in the year in which they are due. Donations from other bodies and Councils of Christian Churches are accounted for as received.

#### 1.5 Expenditure

Expenditure is recognised on an accruals basis, i.e. as soon as there is a legal or constructive obligation committing CTMR to the expenditure. It includes irrecoverable VAT.

Wherever possible, each item of expenditure recognised is allocated to charitable activities or governance costs according to its purpose. If this is not possible the cost is apportioned on a reasonable and justifiable basis.

The accounts include transactions, assets and liabilities for which CTMR is responsible in law. The Accounts of SAS and Urban are included.

Expenditure on equipment or other fixed assets is not capitalised but is charged to revenue as incurred, if not material.

#### 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.

#### 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 when the Charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts 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 receipts 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.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

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

#### **1.8 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.9 Retirement benefits**

Churches Together in the Merseyside Region participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for the lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014. Churches Together in the Merseyside Region participates in the Pension Builder 2014 section.

#### **Pension Builder Scheme**

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-layer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable (2016: £1,359, 2015: £3,138).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2013. This revealed, on the ongoing assumptions used, a surplus of £0.5m. There is no requirement for deficit payments at the current time.

Pension Builder 2014 will be valued in relation to the lump sum payable to members at normal pension age. There are no annual pension benefits. Pension Builder 2014 commenced in February 2014 so the first full valuation of that section will be carried out at the next CWPF valuation date, 31 December 2016.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2016*

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### **1 Accounting policies**

**(Continued)**

#### **1.10 Taxation**

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

### **2 Critical accounting estimates and judgements**

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.



# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 3 Donations and legacies

|  | Unrestricted<br>funds | Restricted<br>funds | Total<br>2016 | Total<br>2015 |
|--|-----------------------|---------------------|---------------|---------------|
|  | £                     | £                   | £             | £             |
| Donations and gifts                        | 30,218                | 36,664              | 66,882        | 91,247        |
| Grants receivable                          | 1,080                 | -                   | 1,080         | -             |
|  | <u>31,298</u>         | <u>36,664</u>       | <u>67,962</u> | <u>91,247</u> |
| <b>For the year ended 31 December 2015</b> | <u>51,621</u>         | <u>39,626</u>       |               | <u>91,247</u> |
| <b>Donations and gifts</b>                 |                       |                     |               |               |
| Contributions from member churches         | 30,208                | -                   | 30,208        | 50,321        |
| SAS donations                              | -                     | 36,664              | 36,664        | 39,626        |
| Donations and gifts                        | 10                    | -                   | 10            | 1,300         |
|  | <u>30,218</u>         | <u>36,664</u>       | <u>66,882</u> | <u>91,247</u> |
| <b>Grants receivable</b>                   |                       |                     |               |               |
| Department of Work And Pensions            | 1,080                 | -                   | 1,080         | -             |
|  | <u>1,080</u>          | <u>-</u>            | <u>1,080</u>  | <u>-</u>      |

### 4 Investments

|                     | 2016      | 2015      |
|---------------------|-----------|-----------|
|                     | £         | £         |
| Interest receivable | <u>28</u> | <u>30</u> |

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 5 Charitable activities

|  | The encouragement and support of Christian Churches | The relief of poverty and destitution | Total         | 2015          |
|--|---|---------------------------------------|---------------|---------------|
|  | £   | £                                     | £             | £             |
| Staff costs                                | 14,626  | -                                     | 14,626        | 39,828        |
| Depreciation and impairment                | 1,285   | -                                     | 1,285         | -             |
| Programme costs                            | 761   | -                                     | 761           | 1,140         |
| Office expenses                            | 7,396   | -                                     | 7,396         | 7,496         |
| Travel expenses                            | 317   | -                                     | 317           | 569           |
| Other                                      | 2,000   | -                                     | 2,000         | -             |
|  | <u>26,385</u>                                       | <u>-</u>                              | <u>26,385</u> | <u>49,033</u> |
| Grant funding of activities (see note 6)   | -   | 33,676                                | 33,676        | 30,148        |
| Share of support costs (see note 7)        | 971   | -                                     | 971           | 2,109         |
| Share of governance costs (see note 7)     | 1,680   | -                                     | 1,680         | 3,430         |
|  | <u>29,036</u>                                       | <u>33,676</u>                         | <u>62,712</u> | <u>84,720</u> |
| <b>Analysis by fund</b>                    |   |                                       |               |               |
| Unrestricted funds                         | 29,036  | -                                     | 29,036        |               |
| Restricted funds                           | -   | 33,676                                | 33,676        |               |
|  | <u>29,036</u>                                       | <u>33,676</u>                         | <u>62,712</u> |               |
| <b>For the year ended 31 December 2015</b> |   |                                       |               |               |
| Unrestricted funds                         | 54,572  | -                                     |               | 54,572        |
| Restricted funds                           | -   | 30,148                                |               | 30,148        |
|  | <u>54,572</u>                                       | <u>30,148</u>                         |               | <u>84,720</u> |

### 6 Grants payable

|                       | The relief of poverty and destitution | 2015          |
|-----------------------|---------------------------------------|---------------|
|                       | £                                     | £             |
| Grants to individuals | 33,676                                | 30,148        |
|                       | <u>33,676</u>                         | <u>30,148</u> |

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 7 Support costs

|                              | Support costs | Governance costs | 2016         | 2015         | Basis of allocation |
|------------------------------|---------------|------------------|--------------|--------------|---------------------|
|                              | £             | £                | £            | £            |                     |
| Staff costs                  | 565           | -                | 565          | 1,684        | * See below         |
| Travel costs                 | 17            | -                | 17           | 30           | *                   |
| Office costs                 | 389           | -                | 389          | 395          | *                   |
| Independent examination fees | -             | 560              | 560          | 1,200        | ** See below        |
| Accountancy fees             | -             | 1,000            | 1,000        | 2,040        | **                  |
| Committee expenses           | -             | 120              | 120          | 190          | **                  |
|                              | <u>971</u>    | <u>1,680</u>     | <u>2,651</u> | <u>5,539</u> |                     |
| Analysed between             |               |                  |              |              |                     |
| Charitable activities        | <u>971</u>    | <u>1,680</u>     | <u>2,651</u> | <u>5,539</u> |                     |

\* Support costs have been recharged to the encouragement and support of Christian Churches estimated on the basis of time spent.

\*\* Governance costs have been recharged to the encouragement and support of Christian Churches activity.

Governance costs includes payments to the accountants of £560 (2015: £1,200) for independent examination fees and £1,000 (2015: £2,040) for accountancy services. Fees in 2015 are higher due to an accrual adjustment and one off fees in relation to the implementation of the new SORP.

### 8 Trustees

The trustees, who served for various periods of the year, received no remuneration or expenses for services provided to the charity (2015: nil).

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 9 Employees

#### Number of employees

The average monthly number employees during the year was:

|            | 2016<br>Number | 2015<br>Number |
|------------|----------------|----------------|
| Charitable | 1              | 2              |

#### Employment costs

|                       | 2016<br>£     | 2015<br>£     |
|-----------------------|---------------|---------------|
| Wages and salaries    | 11,305        | 35,503        |
| Social security costs | 2,527         | 2,310         |
| Other pension costs   | 1,359         | 3,138         |
|                       | <u>15,191</u> | <u>43,195</u> |

Wages and salary costs in 2015 included a redundancy payment of £5,700.

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

### 10 Financial instruments

|   | 2016<br>£ | 2015<br>£ |
|---|-----------|-----------|
| <b>Carrying amount of financial assets</b>      |           |           |
| Debt instruments measured at amortised cost     | 65,177    | 71,779    |
| <b>Carrying amount of financial liabilities</b> |           |           |
| Measured at amortised cost                      | 2,280     | 3,781     |

### 11 Debtors

|   | 2016<br>£ | 2015<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Prepayments and accrued income              | 920       | 959       |

### 12 Creditors: amounts falling due within one year

|                              | Notes | 2016<br>£    | 2015<br>£     |
|------------------------------|-------|--------------|---------------|
| Deferred income              | 13    | 2,551        | 12,969        |
| Other creditors              |       | -            | 1,861         |
| Accruals and deferred income |       | 2,280        | 1,920         |
|                              |       | <u>4,831</u> | <u>16,750</u> |

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 13 Deferred income

|                       | 2016<br>£    | 2015<br>£     |
|-----------------------|--------------|---------------|
| Other deferred income | 2,551        | 12,969        |
|                       | <u>2,551</u> | <u>12,969</u> |

Deferred income is included in the financial statements as follows:

|   | 2016<br>£    | 2015<br>£     |
|---|--------------|---------------|
| Total deferred income at 1 January 2016               | 12,969       | -             |
| Amounts received in the year                          | 2,551        | (12,969)      |
| Amounts credited to statement of financial activities | (12,969)     | -             |
|   | <u>2,551</u> | <u>12,969</u> |
| Total deferred income at 31 December 2016             | <u>2,551</u> | <u>12,969</u> |

### 14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

|                            | Balance at 1<br>January<br>2016<br>£ | Movement in funds |                  | Balance at 31<br>December<br>2016<br>£ |
|----------------------------|--------------------------------------|-------------------|------------------|--|
|                            |                                      | Income<br>£       | Expenditure<br>£ |  |
| Support for Asylum Seekers | 36,091                               | 36,664            | (33,676)         | 39,079                                 |
|                            | <u>36,091</u>                        | <u>36,664</u>     | <u>(33,676)</u>  | <u>39,079</u>                          |

Support for Asylum Seekers (SAS) is an agency of CTMR set up to support asylum seekers.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

|            | Balance at 1<br>January<br>2016<br>£ | Movement in funds |                  | Balance at 31<br>December<br>2016<br>£ |
|------------|--------------------------------------|-------------------|------------------|--|
|            |                                      | Income<br>£       | Expenditure<br>£ |  |
| Urban fund | 9,813                                | 5                 | (2,000)          | 7,818                                  |
|            | <u>9,813</u>                         | <u>5</u>          | <u>(2,000)</u>   | <u>7,818</u>                           |

*Urban Fund* - during 2002, the Merseyside Churches Urban Institute, which was closing down, transferred its funds to MARCEA to be used in line with the Institute's purpose of promoting discussion and research on urban issues.

#### 16 Analysis of net assets between funds

|   | Unrestricted<br>funds<br>£ | Designated<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>£    |
|---|----------------------------|--------------------------|--------------------------|---------------|
| Fund balances at 31 December 2016 are represented by: |                            |                          |                          |               |
| Current assets/(liabilities)                          | 14,369                     | 7,818                    | 39,079                   | 61,266        |
|   | <u>14,369</u>              | <u>7,818</u>             | <u>39,079</u>            | <u>61,266</u> |

#### 17 Related party transactions

There were no disclosable related party transactions during the year (2015- none).