

Charity Registration No. 519061

**CHURCHES TOGETHER IN THE MERSEYSIDE REGION**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Miss Claire Davidson Rt Rev Mark Davies Rev Philip Jump Bishop Keith Sinclair Rt Rev Thomas Williams Rev Dr Sheryl Anderson Rev Jacky Embrey Most Rev Malcolm McMahon Rt Rev Paul Bayes Andrew Edwards Mr Neil Cunningham Mrs Janet Lasham Mr Ultan Russell Major Roger Batt Rt Rev Beverley Mason	(Appointed 17 November 2019)
<b>Charity number</b>	519061	
<b>Principal address</b>	Quaker Meeting House 22 School Lane Liverpool L1 3BT	
<b>Independent examiner</b>	Mr Peter Taaffe FCA CTA DChA BWM Castle Chambers 43 Castle Street Liverpool L2 9SH	
<b>Bankers</b>	HSBC Bank PLC 99-101 Lord Street Liverpool L2 6PG	
<b>Solicitors</b>	Hill Dickinson No. 1 St Paul's Square Liverpool 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 2019*

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The trustees present their report and financial statements for the year ended 31 December 2019.

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 2016)"

The financial statements 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 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the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

### **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 2019

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### Achievements and performance

The routine work of Churches Together in the Merseyside Region – supporting a range of partnerships (formal and informal) between Churches, encouraging work and relationships across denominations and traditions, answering enquiries and requests from the Merseyside community, giving a positive response to any enquiries and co-ordinating the Churches readiness in case of a major incident - continued during 2019.

**Church Leaders continued to meet quarterly** to determine the overall strategy of CTMR and maintain co-ordinating oversight of its core activities. In addition, they also gathered for a retreat day for mutual support. The Management Council met twice during the year to ensure implementation of decisions made by the Church Leaders, aided by quarterly meetings of CTMR Officers, appointed by the Management Council to support the Ecumenical Co-ordinator.

CTMR hosted an **annual lunch for local MPs** from the Merseyside Region, which was very much appreciated as a networking opportunity for meaningful conversation in a friendly setting. There was also a good response by Civic Leaders to the CTMR Civic Reception which unfortunately had to be postponed.

**Merseyside Council of Faiths:** Having operated since 2000 it was agreed to dissolve the Council in November 2018. Numbers attending had declined and the Council rarely attracted anyone from outside of the City. Other interfaith bodies continue notably Faiths4Change, Liverpool Community Spirit, at Liverpool Hope University, through the Arrival of a Community of the Missionaries of Africa based at St Vincent de Paul in China Town as well as a regular meeting of Faith Leaders convened by the Revd Canon Dr Crispin Pailing on behalf of the Bishop of Liverpool.

**Liverpool Koln Church Partnership:** In June, a delegation of ten people visited Koln to participate in a very fruitful consultation on *New Evangelisation* which gave opportunities for Liverpool guests to visit a range of fresh expressions, community outreach projects and the Universities' Chaplaincies. A return visit is planned to Liverpool for 2020.

**Denominations continue to give ecumenical support to each other's events**, which is a great common witness to Christians on Merseyside and beyond. There was a warm welcome of Ecumenical Partners at the RC Synod meetings and RC Synod members were delighted about the contributions from Ecumenical Observers.

**The Support for Asylum Seekers (SAS):** Destitution Project continued its mandate of humanitarian support by relieving destitution and distress among people who have sought asylum or refuge in Merseyside, have been failed by the system, and finally made destitute. Donations were raised from long standing loyal individuals, churches and faith groups in addition to substantial grants from major external funders. Several local Partner Agencies collaborate to deliver these services on behalf of SAS.

SAS has responded to requests from partner agencies including the following:

- *Faiths4Change*

Developing Roots is our long standing partnership health and wellbeing project at the ALM allotments in Childwall, funded by both the Allen Lane Foundation and SAS. The venue and focus of this work is now moving to St Michael in The City where SAS has funded the clearance of derelict gardens around the church ready for planting and development and a peace garden.

- *Refugee Women Connect*

SAS continued to provide funding for service users who are at risk of domestic violence and exceptionally vulnerable to exploitation and gender-based violence. SAS was able to obtain and ring fence specific external funding to provide emergency support grants for service users. This support helps them to bridge the gap when they are without any funds and awaiting potential support via Section 4 benefits. Service users who are refused and also street homeless continue to struggle to gain sustainable funding. Once again, the SAS destitution fund allows a window to work with these service users to attempt to secure funding.

- *Asylum Link Merseyside*

ALM is the main partner of SAS delivering humanitarian emergency support. Apart from the usual destitution support to ALM, SAS contributed to the food for the Refugee Week Celebrations, the Christmas meal for asylum seekers and refugees, the fruit project and several days out, culminating in two subsidised trips to the theatre before Christmas.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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The **Pentecost Ecumenical Celebration** was a community event in 2019. Christians from various denominations all experienced the warm atmosphere of the family, a people linked together because they were aware of being brothers and sisters in Christ. Because of logistical challenges this event took the form of a pilgrimage with allowed for meaningful conversation. We are committed as ever to this event and will explore ways of overcoming the challenges that are involved in organising it.

The **CTMR Social Justice group** has continued to meet informally and remains committed to working in partnership as much as possible. Opportunities continue to be sought to promote the principles of the Hope Charter, though political events made this particularly challenging in 2019.

A change of personnel means to relaunch the effort of CTMR to bring together representatives from various denominations for **safeguarding** purposes.

In 2019 CTMR brought together a wonderful **gathering of young adults aged 18+** from across Merseyside. They were immensely enriched by visiting places of worship of a variety of denominations. The group felt that this gave them new insights as well as new experiences of various expressions of Church. They wish to expand the group in the future and continue to work out what form and shape the group should take as it moves along. The young adults are very grateful to have the opportunity to discuss, reflect and pray together. This helps them appreciate and value their own denomination as well as developing respect and understanding of others.

CTMR also contributed to the **networking of colleagues** involved in ecumenism **across the North of England**. With colleagues from other northern counties, CTMR facilitated a second event for Northern Denominational Officers which created greater cohesion and addressed common matters of interest.

### Financial review

Overall income for the year amounted to £61,627, a decrease of £31,706 from the previous year.

After deduction of expenditure of £84,568 net expenditure amounted to £22,941 as set out in the Statement of Financial Activities.

Total unrestricted funds as at 31 December 2019 are £30,273.

### 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.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2019*

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### **Plans for the Future**

The current COVID-19 pandemic has not had a drastic effect on the SAS's ability to raise funds. However it has had an impact on our partner agencies in direct donations of food, clothes, toiletries and monies. Additionally the closure of the venues to the public have severely restricted their ability to deliver face-to-face assistance, advocacy and other humanitarian support. They have used innovative ways to continue their service especially to the destitute by making deliveries to their homes and hotels or wherever the destitute have been housed temporarily. Many clients are digitally poor with little or no access to mobile phones or the internet, so actual visits have become the only way to support them.

At the time of writing (July 2020) SAS is confident it has sufficient funds for the next 12 month period at least, to support the partner agencies to deliver destitution services at their current level and under the current level of restrictions."

### **Going Concern**

At the time of approving the accounts, and taking into account the effects of COVID-19 since the end of the accounting period under review, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence in the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### Structure, governance and management

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

The trustees who served during the year were:

Miss Claire Davidson

Rt Rev Mark Davies

Mrs Linda Jones

(Retired 31 July 2019)

Rev Philip Jump

Bishop Keith Sinclair

Rt Rev Thomas Williams

Rev Dr Sheryl Anderson

Rev Jacky Embrey

Most Rev Malcolm McMahon

Rt Rev Paul Bayes

Andrew Edwards

Mr Neil Cunningham

Mrs Janet Lasham

Mr Ultan Russell

Major Roger Batt

Rt Rev Beverley Mason

(Appointed 17 November 2019)

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

The Bishop of Warrington

The Bishop of Birkenhead

Methodist

The Chair of the Liverpool District

Roman Catholic

The Archbishop of Liverpool

The Auxiliary Bishop(s) of Liverpool

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.



# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2019*

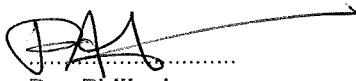
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### Organisation

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.



Rev Philip Jump

Trustee

Dated: 29.10.20

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 DECEMBER 2019*

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The trustees are responsible for preparing the Trustees' Report and the financial statements 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 financial statements 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 financial statements, 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 financial statements; and
- prepare the financial statements 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 financial statements 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 to the trustees on my examination of the financial statements of Churches Together in the Merseyside Region (the Charity) for the year ended 31 December 2019.

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.

#### Responsibilities and basis of report

As the trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. 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

Your attention is drawn to the fact that the charity has prepared financial statements 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 now been withdrawn.

I understand that this has been done in order for financial statements 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.

I have completed my examination. I confirm that no 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 respect of the Charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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

BWM

Mr Peter Taaffe FCA CTA DChA

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

Dated: 30.10.20

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £
<b><u>Income from:</u></b>							
Donations and legacies	3	30,476	31,094	61,570	33,415	59,885	93,300
Investments	4	47	10	57	33	-	33
<b>Total income</b>		<b>30,523</b>	<b>31,104</b>	<b>61,627</b>	<b>33,448</b>	<b>59,885</b>	<b>93,333</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	5	31,116	53,452	84,568	31,522	54,635	86,157
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(593)</b>	<b>(22,348)</b>	<b>(22,941)</b>	<b>1,926</b>	<b>5,250</b>	<b>7,176</b>
Fund balances at 1 January 2019		30,866	57,870	88,736	28,940	52,620	81,560
<b>Fund balances at 31 December 2019</b>		<b>30,273</b>	<b>35,522</b>	<b>65,795</b>	<b>30,866</b>	<b>57,870</b>	<b>88,736</b>

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

All income and expenditure derive from continuing activities.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## BALANCE SHEET

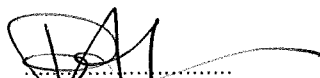
AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Current assets</b>					
Debtors	11	1,016		982	
Cash at bank and in hand		68,555		101,885	
		<u>69,571</u>		<u>102,867</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(3,776)</u>		<u>(14,131)</u>	
Net current assets			<u>65,795</u>		<u>88,736</u>
<b>Income funds</b>					
Restricted funds	14		35,522		57,870
<u>Unrestricted funds</u>					
Designated funds	15	5,743		7,230	
General unrestricted funds		<u>24,530</u>		<u>23,636</u>	
			<u>30,273</u>		<u>30,866</u>
			<u>65,795</u>		<u>88,736</u>

The financial statements were approved by the trustees and authorised for issue on ..... and are signed on its behalf by:



Mrs Janet Lasham  
Treasurer



Rev Philip Jump  
Chair of Management Council

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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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

The financial statements have been prepared in accordance with the Charity's trust of 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)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 and taking into account the effects of COVID-19 since the end of the accounting period, 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 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 2019

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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 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.

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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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 CWPF for 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.

##### 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. Discretionary increases may also be added, depending on 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 a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2019: £1,411 2018: £1,155)

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016. The valuation process to 31 December 2019 is currently ongoing.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, Churches Together in the Merseyside Region could become responsible for paying a share of that employer's pension liabilities.



# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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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 2019

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2019	2019	2019	2018	2018	2018
	£	£	£	£	£	£
Donations and gifts	30,469	7,330	37,799	33,368	59,885	93,253
Grants receivable	7	23,764	23,771	47	-	47
	<u>30,476</u>	<u>31,094</u>	<u>61,570</u>	<u>33,415</u>	<u>59,885</u>	<u>93,300</u>
<b>Donations and gifts</b>						
Contributions from member churches	30,469	-	30,469	33,368	-	33,368
SAS donations	-	7,330	7,330	-	59,885	59,885
	<u>30,469</u>	<u>7,330</u>	<u>37,799</u>	<u>33,368</u>	<u>59,885</u>	<u>93,253</u>
<b>Grants receivable for core activities</b>						
Other	7	23,764	23,771	47	-	47
	<u>7</u>	<u>23,764</u>	<u>23,771</u>	<u>47</u>	<u>-</u>	<u>47</u>

### 4 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2019	2019	2019	2018
	£	£	£	£
Interest receivable	47	10	57	33
	<u>47</u>	<u>10</u>	<u>57</u>	<u>33</u>

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 5 Charitable activities

	The The relief of encourage poverty and ment and destitution support of Christian Churches		Total 2019	Total 2018
	£	£	£	£
Staff costs	18,130	-	18,130	14,540
Programme costs	2,942	-	2,942	1,084
Office expenses	6,528	-	6,528	6,961
Travel expenses	193	-	193	29
Other	-	-	-	6,004
	<u>27,793</u>	<u>-</u>	<u>27,793</u>	<u>28,618</u>
Grant funding of activities (see note 6)	-	53,452	53,452	54,635
Share of support costs (see note 7)	1,304	-	1,304	1,002
Share of governance costs (see note 7)	2,019	-	2,019	1,902
	<u>31,116</u>	<u>53,452</u>	<u>84,568</u>	<u>86,157</u>
<b>Analysis by fund</b>				
Unrestricted funds	31,116	-	31,116	
Restricted funds	-	53,452	53,452	
	<u>31,116</u>	<u>53,452</u>	<u>84,568</u>	

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 5 Charitable activities

(Continued)

For the year ended 31 December 2018

	The encourage ment and support of Christian Churches £	The relief of poverty and destitution £	Total 2018 £
Staff costs	14,540	-	14,540
Programme costs	1,084	-	1,084
Office expenses	6,961	-	6,961
Travel expenses	29	-	29
Other	6,004	-	6,004
	<u>28,618</u>	<u>-</u>	<u>28,618</u>
Grant funding of activities (see note 6)	-	54,635	54,635
Share of support costs (see note 7)	1,002	-	1,002
Share of governance costs (see note 7)	1,902	-	1,902
	<u>31,522</u>	<u>54,635</u>	<u>86,157</u>
<b>Analysis by fund</b>			
Unrestricted funds	31,522	-	31,522
Restricted funds	-	54,635	54,635
	<u>31,522</u>	<u>54,635</u>	<u>86,157</u>

### 6 Grants payable

	The relief of poverty and destitution £	2018 £
Total	53,452	54,635
	<u>53,452</u>	<u>54,635</u>

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

7 Support costs	Support costs	Governance costs	2019	Support costs	Governance costs	2018
	£	£	£	£	£	£
Staff costs	954	-	954	765	-	765
Travel costs	10	-	10	2	-	2
Office costs	340	-	340	235	-	235
Independent examination fees	-	779	779	-	666	666
Accountancy fees	-	1,240	1,240	-	1,236	1,236
	<u>1,304</u>	<u>2,019</u>	<u>3,323</u>	<u>1,002</u>	<u>1,902</u>	<u>2,904</u>
Analysed between Charitable activities	<u>1,304</u>	<u>2,019</u>	<u>3,323</u>	<u>1,002</u>	<u>1,902</u>	<u>2,904</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 £779 (2018: £666) for independent examination fees and £1,240 (2018: £1,236) for accountancy services.

## 8 Trustees

The trustees, who served for various periods of the year, received no remuneration or expenses for services provided to the charity (2018: nil).

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Charitable	1	1

#### Employment costs

	2019 £	2018 £
Wages and salaries	17,673	14,150
Other pension costs	1,411	1,155
	<u>19,084</u>	<u>15,305</u>

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

### 10 Financial instruments

	2019 £	2018 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	68,555	101,485
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	2,725	1,729

### 11 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Prepayments and accrued income	1,016	982

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

	Notes	2019 £	2018 £
Other taxation and social security		1,051	-
Deferred income	13	-	12,402
Other creditors		661	-
Accruals and deferred income		2,064	1,729
		<u>3,776</u>	<u>14,131</u>

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 13 Deferred income

	2019 £	2018 £
Other deferred income	-	12,402

Deferred income is included in the financial statements as follows:

	2019 £	2018 £
Total deferred income at 1 January 2019	12,402	2,551
Amounts received in the year	-	(18,685)
Amounts credited to statement of financial activities	(12,402)	(2,551)
Total deferred income at 31 December 2019	-	12,402

# CHURCHES TOGETHER IN THE MERSEYSIDE REGION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 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:

	Movement in funds		Movement in funds		Balance at 31 December 2019 £
	Income	Expenditure	Income	Expenditure	
Support for Asylum Seekers	£ 59,885	(54,635)	£ 31,104	(53,452)	£ 35,522
	52,620		57,870		
	1 January 2018	1 January 2019	Balance at 1 January 2019	Balance at 31 December 2019	

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 2019

### 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 January 2018	Expenditure	Balance at 1 January 2019	Movement in funds		Balance at 31 December 2019
				Income	Expenditure	
	£	£	£	£	£	£
Urban fund	7,822	(592)	7,230	13	(1,500)	5,743
	<u>7,822</u>	<u>(592)</u>	<u>7,230</u>	<u>13</u>	<u>(1,500)</u>	<u>5,743</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	Restricted	Total	Unrestricted	Restricted	Total
	funds	funds		funds	funds	
	2019	2019	2019	2018	2018	2018
	£	£	£	£	£	£
Fund balances at 31 December 2019 are represented by:						
Current assets/ (liabilities)	30,273	35,522	65,795	30,866	57,870	88,736
	<u>30,273</u>	<u>35,522</u>	<u>65,795</u>	<u>30,866</u>	<u>57,870</u>	<u>88,736</u>

### 17 Events after the reporting date

During the first quarter of 2020 there was a global outbreak of Covid-19. The trustees have considered the impact on the charity as detailed within the Trustees' Report and continue to monitor developments on a daily basis.

### 18 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).

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