

Charity registration number 1069777 (England and Wales)

Company registration number 03550328

TEEN CHALLENGE LONDON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

TEEN CHALLENGE LONDON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Rev S Derbyshire Rev. D Langton Dr L Logan MBE Rev Christopher Scott	
Secretary	C Coughlan	
Charity number	1069777	
Company number	03550328	
Principal addresses	Drayton Hall Hall Lane Drayton Norwich NR8 6DP	Wilkerson House Uphall Road Ilford Essex IG1 2JJ
Registered office	Essex House 8 The Shrubberies George Lane South Woodford London United Kingdom E18 1BD	
Auditor	Caton Fry & Co Ltd Essex House 7 The Shrubberies George Lane South Woodford London E18 1BD	
Bankers	Barclays Bank 180 High Road Ilford Essex IG1 1LS	
Solicitors	Red Kite Solicitors 14-15 Spilman Street Carmarthen West Wales SA31 1SR	
Project manager	Javier Lesta-Candal	

TEEN CHALLENGE LONDON

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TEEN CHALLENGE LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their report and financial statements for the year ended 31 March 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects as specified in the Memorandum and Articles of Association are:

- a) To advance the Christian faith in accordance with the Statement of Beliefs appearing in the County of Greater London, the surrounding areas, and in such other parts of the United Kingdom or the world as the Trustees of the Charity may from time to time think fit.
- b) To relieve persons who are in conditions of need or hardship or who are aged sick or who are homeless, including by means of helping and assisting individuals affected by alcohol, drug or other substance abuse or addiction and to relieve the distress caused thereby in the said locations and in such other parts of the United Kingdom or the World as the Trustees may from time to time think fit.
- c) To promote and fulfil such other charitable purposes beneficial to the community in the said locations and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit.

The policies adopted in furtherance of these objects are:

- 1) Offering residential rehabilitation to members of the public who have shown an interest in finding help with their addiction problems.
- 2) Outreach work through different means such as street work, bus ministry, church events and presentations, and testimony evenings.
- 3) Providing vocational training to enhance employment opportunities helping them go back into society with recognised achievements and qualifications.

There has been no change in these during the year.

Reporting Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission on public benefit in deciding what activities the charity should undertake. As a small charity the report focuses on the main activities undertaken by the charity to further the charitable purposes for the public benefit.

TEEN CHALLENGE LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2025*

DRAYTON HALL

News about the program moving from London to Drayton has seen a larger amount of interest from around the country about the services on offer at Drayton. We saw during this year the bed occupancy was 19.8 an increase of 2.8 from the previous year of 17, our first year at Drayton.

In April, we completed the installation of the new boiler in the toilet area by the Bistro. The old boiler had broken down, we used this opportunity to extend the hot water to the showers replacing the electric boilers above the toilets with a supply link to this new boiler. The cost of £30,000 was considerable amount for us but was very necessary.

In July, we had a full occupancy rate of 20 men and 15 on the waiting list to come into the program. During this time, we made a step of faith to extend the bed occupancy from 20 to 28. This meant that we had to prepare the Hall and add staff for the anticipated increase. Also in July, we received a generous grant from the Silas Trust £2,000 per month for 12 months.

In September, 9 men graduated from the rehabilitation program.

In October, we purchased extra furniture/ beds/sofas, at a cost of £24,000, and relocated the classroom to the Audi building.

In December, our outreach leader Michael Ovenden went on to be a pastor of a local church in East Ham and in January with the help of Rev Vic Ready we started contacting local churches in the Norwich area for us to visit to raise awareness of the work of Teen Challenge in Drayton.

In January 2025, we got approval from the council for the increase in bed occupancy.

In February, it became apparent the kitchen was not coping with the increase in occupancy and in March we purchased 2 x (refurbished) Rational cookers and a (refurbished) double tray washing machine. Currently we are waiting for the sinks to be upgraded and the Dishwasher to be installed.

5:17 Coffee House continues to be a support for the men who have finished or are on the later stages of their rehabilitation program. The men are introduced into a real live working environment learning new skills such as Barista and customer services. Many of the men find that the coffee shop is a great addition to their recovery and program whilst interacting with the general public.

We committed to renting a 4 bedroom property within a 20 minute walk from Drayton Hall the property being located at 250 High Road, Drayton to release bedrooms for staff who were residing at the hall.

Also in the year we purchased 2 x 8 seat vehicles with funding being received from The Graham Dacre Charitable Fund and from City Gates Church Ilford.

Currently, we adjusting and trying to stabilize the higher occupancy level at the Hall.

We are thankful to God for the help we have received and for the continued growth taking place.

TEEN CHALLENGE LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

WILKERSON HOUSE

Renovation works at the property were undertaken during the year three rooms being totally refurbished and a further five rooms having a mini refurbishment. Two new kitchens were installed and other general maintenance tasks undertaken including repairs to the roof.

OUTREACH PROJECTS

In this report I wish to provide an update from TC's Outreach from the period between August 2024 - November 2024. This will include short overviews from outreach events and church presentations TC were involved in. I'm sure as you view this report you will be encouraged by engagement within the communities we reached into and our increasing influence in a variety of locations.

Church Presentations

Church presentations have been booked and given weekly other than the occasional exceptions. From the period July '23- July '24 TC London held a total of 34 church presentations. This number does not include other presentations that have been held outside of Sunday services.

Continued engagement with Teen Challenge London Partners

During this period as there was no defined outreach, I felt the best way forward was to continue to build and strengthen the relationships established with churches and other community organisations through the previous years 'Joshua Projects' and previous Teen Challenge outreaches.

This would include visiting their sites, serving alongside them in the programs they run. Whilst there we would engage the clients that used their facilities in conversation. Also, whilst in the area we would engage in street outreach reaching out to the homeless and addicted in the area. During these visits it gave the opportunity to make an introduction of 2 TC graduates to our partners (who would continue the outreach in the London area).

Training/Equipping sessions

TC was able to give 2 training sessions with 2 churches during this period.

In Harlow we were able to give training on both drug/ addiction awareness and evangelism training to the church's youth group. The following week the youth group went out into the streets of Harlow for a time of evangelism, for some this was the first time.

In Chatham the training around drug/ addiction awareness was given to volunteers for St John's Chatham. This followed into an evening session where testimonies shared and a Gospel message. Out of this gathering one of the men in attendance received Jesus, he was homeless, we continued to work with him and the local services. He was housed soon after.

Presentations

From August - 8th December Teen Challenge London were able to visit 9 different churches to give presentations and updates to partners.

Other outreach opportunities/ notable updates

- As in the past 4 years TC were given permission to set up an awareness table at Daniel Chand's 'Tent Revival' meeting which lasted 4 days. Great publicity with the number of people coming through. Also, TC were able to share (in brief) as part of the morning equipping sessions.
- TC had the opportunity to visit a school and share the work of Teen Challenge London with the students. This encompassed both the work of TC and the sharing of testimony & the Gospel.
- Time was also spent ordering the hand over process of the outreach. In this time both Jason and Vic were informed on aspects of the outreach ministry.

TEEN CHALLENGE LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Education & Training Centre Drayton Hall

Below is a list of the courses completed by residents at Drayton Hall during the financial year, all courses are City & Guilds recognised.

Centre for Excellence Achievements 2024-2025

01.04.2024- 31.03.2025 Accredited by City and Guilds

Level 1 Functional Skills English	3
Level 2 Functional Skills English	1
Level 1 Effective Communication	15
Level 1 Effective Skills and Qualities and Attitudes	12
Level 1 Managing Personal Finance	16
Level 1 Equality and Diversity	9
Introduction to Customer Services	12
Level 1 Employability Personal Development Award	8
TOTAL	76

Accredited by Highfield / Essential Food Hygiene Online Learning

Level 2 Food Safety	12
TOTAL	12

Trainer Courses

Health and Safety	6
TOTAL	6

Health and Safety

Induction Health and Safety	34
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EXTRAS

Allergy Awareness	2
Level 2 Counselling Skills	2
TOTAL	4
	132

TOTAL OF ALL COURSES

Future Developments

- To begin a marketing campaign amongst churches within the Norfolk area to partner with Teen Challenge based at Drayton.
- To Prepare the ground floor at Drayton Hall ready to move the gymnasium equipment from the auditorium to the ground floor.
- Look to advertise and employ a manager for Drayton Hall.
- Find a replacement for the outreach Coordinator position and/or reinstate church visits within the London and Home Counties areas to bring awareness and support and partnerships to Teen Challenge.
- Continue the refurbishment of Wilkerson House in Ilford.
- Apply for planning permission to convert part of Wilkerson House to enable a working partnership with Exit Foundation to offer emergency accommodation to under 16 year olds to the local Authorities.

TEEN CHALLENGE LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Financial review

Incoming resources for the year stood at £1,022,307 (2024 - £979,374). The net incoming resources amounted to £43,816 (2024 - £140,069). Voluntary income amounted to £357,598 (2024 - £295,907) and represented 35.0% (2024 - 30.2%) of the charity's total income. This increase in income has meant that the charity does require an audit during the year.

The majority of ongoing resources have been utilised on charitable activities related to supporting residents at the centre for those with addictions: staff costs for services and support, expenses directly relating to the residents, and the ongoing costs of the premises themselves.

The net assets shown in the balance sheet amounted to £1,923,551 (2024 - £1,879,737) of which £500,000 (2024 : £500,000) were restricted. Included in the above figure are freehold properties shown at cost of £2,008,882 (2024 - £2,008,882).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to be 6 months' expenditure. This amounts to approximately £489,000. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. At the year end the level of reserves, excluding the freehold land and buildings, improvements to property and related loan amounted to £342,864 (2024 : £360,628).

Investment strategy

The reserves are held on cash deposits, and although consideration has been given to alternative forms of investment, the Trustees decided to retain the cash deposits.

Risks

The trustees has 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 charity is a company limited by guarantee and was incorporated on 22 April 1998. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

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

Revd L Cheshire	(Resigned 30 June 2025)
Rev S Derbyshire	
Rev. D Langton	
Dr L Logan MBE	
Rev Christopher Scott	

The existing Trustees appoint any new Trustees following the provisions laid out in the Charity's governing instrument.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

The Board of Trustees are responsible for the strategic direction and policy of the charity. A scheme of delegation is in place, and day to day responsibility for the provision of services rests with the Project Manager. The Trustees, who are also Directors of the charitable company, meet together regularly, at least four times per year, to pray, review progress and make decisions on future developments.

TEEN CHALLENGE LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2025*

New trustees are provided with a comprehensive information pack informing them of their potential roles as Trustees.

All staff are paid in line with their job role.

Teen Challenge London works closely with Teen Challenge UK and other Teen Challenge Groups throughout the country, but is legally independent of them.

Auditor

In accordance with the company's articles, a resolution proposing that be reappointed as auditor of the company will be put at a General Meeting.

Small company exemptions

This report has been prepared and delivered in accordance with the provisions in Part 15 of Companies Act 2006 applicable to companies subject to the small companies' regime.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Rev S Derbyshire

Trustee

3 December 2025

TEEN CHALLENGE LONDON

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of Teen Challenge London for the purpose of company law, 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).

Company law 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, including the income and expenditure, of the charitable company 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 UK 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 adequate 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 Companies Act 2006. 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.

TEEN CHALLENGE LONDON

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TEEN CHALLENGE LONDON

Opinion

We have audited the financial statements of Teen Challenge London (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 27 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

TEEN CHALLENGE LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TEEN CHALLENGE LONDON

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

TEEN CHALLENGE LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TEEN CHALLENGE LONDON

Irregularities, including fraud, are instances of non-compliance with laws and regulations.

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most are significant are those that relate to:

- compliance with Statement of Recommended Practice : Accounting and Reporting by Charities 2015 as this is financial reporting framework that the financial statements are based on.

The key laws and regulations we have considered in this context included the Companies Act and Charities Act. In addition, we have considered provisions of other laws and regulation that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We assessed the risks of material misstatements in respect of fraud as follows:

- Enquiry of senior management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Used analytical procedures to identify any unusual or unexpected relationships;
- Discussed areas of the financial statements with management that were susceptible to misstatement.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above by:-

- Carrying out an accounts disclosure checklist to confirm that the financial statements comply with the financial reporting framework.

We corroborated our enquiries through:

- review of correspondence with HMRC, Charities Commission and Companies House;
- review of correspondence with other regularity bodies.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach both at the year end and during the course of the year. We tested journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including:

- reviewing a sample of payments to documentation and procedures being followed in line with the financial procedures and controls in place;
- reviewed the accounting policies adopted by the entity were in line with standard practice and were being followed appropriately by the company.

The engagement partner considers the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

There are inherent limitations in the audit procedures, described above and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

TEEN CHALLENGE LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TEEN CHALLENGE LONDON

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

The comparative figures were not audited.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Jonathan Caton (Senior Statutory Auditor)

For and on behalf of Caton Fry & Co Ltd
Chartered Accountants
Statutory Auditor

Essex House
7 The Shrubberies
George Lane
South Woodford
London
E18 1BD

Date:

TEEN CHALLENGE LONDON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	331,598	26,000	357,598	295,907	-	295,907
Charitable activities	4	534,665	-	534,665	580,358	-	580,358
Investments	5	130,044	-	130,044	103,109	-	103,109
Total income		996,307	26,000	1,022,307	979,374	-	979,374
Expenditure on:							
Raising funds	6	2,845	-	2,845	2,786	-	2,786
Charitable activities	7	974,426	1,220	975,646	836,519	-	836,519
Total expenditure		977,271	1,220	978,491	839,305	-	839,305
Gross transfers between funds		24,780	(24,780)	-	47,665	(47,665)	-
Net income for the year/ Net movement in funds	9	43,816	-	43,816	187,734	(47,665)	140,069
Reconciliation of funds:							
Fund balances at 1 April 2024							
As originally reported		1,379,736	500,000	1,879,736	1,221,002	547,665	1,768,667
Prior year adjustment		-	-	-	(29,000)	-	(29,000)
Fund balances at 1 April 2024		1,379,736	500,000	1,879,736	1,192,002	547,665	1,739,667
Fund balances at 31 March 2025		1,423,552	500,000	1,923,552	1,379,736	500,000	1,879,736

All income and expenditure derive from continuing activities.

The notes on pages 15 to 29 form part of these financial statements.

TEEN CHALLENGE LONDON

BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		2,214,907		2,242,580
Investments	15		2		2
			<u>2,214,909</u>		<u>2,242,582</u>
Current assets					
Debtors	16	38,478		24,038	
Cash at bank and in hand		227,726		262,371	
		<u>266,204</u>		<u>286,409</u>	
Creditors: amounts falling due within one year	17	(126,194)		(133,151)	
Net current assets			140,010		153,258
Total assets less current liabilities			2,354,919		2,395,840
Creditors: amounts falling due after more than one year	18		(431,367)		(516,104)
Net assets			<u>1,923,552</u>		<u>1,879,736</u>
Income funds					
Restricted funds	20		500,000		500,000
Unrestricted funds			1,423,552		1,379,736
			<u>1,923,552</u>		<u>1,879,736</u>

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

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

The financial statements were approved by the Trustees on 3 December 2025

Rev S Derbyshire
Trustee

Company Registration No. 03550328

TEEN CHALLENGE LONDON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(34,993)		216,780
Investing activities					
Purchase of tangible fixed assets		(67,806)		(112,746)	
Proceeds from disposal of tangible fixed assets		10,600		2,287	
Loans given in the year		(500)		-	
Purchase of investments		-		(2)	
Investment income received		130,044		103,109	
Net cash generated from/(used in) investing activities			72,338		(7,352)
Financing activities					
Repayment of bank loans		(71,990)		(57,200)	
Net cash used in financing activities			(71,990)		(57,200)
Net (decrease)/increase in cash and cash equivalents			(34,645)		152,228
Cash and cash equivalents at beginning of year			262,371		110,143
Cash and cash equivalents at end of year			227,726		262,371

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Teen Challenge London is a private company limited by guarantee incorporated in England and Wales. The registered office is Essex House, 8 The Shrubberies, George Lane, South Woodford, London, E18 1BD, United Kingdom.

The activities of the charity, as described in the Trustees report, are carried out at Wilkerson House in Ilford or Drayton Hall in Norfolk.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention other than the donation of Drayton Hall which has been reflected at market value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Incoming resources

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

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

Donated services and assets are recognised when the charity has control over the item, and conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Income from trading activities are reflected on a receivable basis.

Income from investments and interest are included when receivable.

Rental income is recognised on the cash basis.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to that category. Where costs cannot be directly attributed to particular headings they have allocated to activities on a basis consistent with the use of resources.

Charitable activities comprises costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities, and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independence examination and professional fees linked to the strategic management of the charity.

Support costs are allocated on a basis consistent with the use of resources, as indicated in the notes to the financial statements.

1.6 Tangible fixed assets

Tangible fixed assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	See below
Improvements to property	10% on cost
Fixtures and fittings	25% on cost
Computers	33% on cost
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Since in the opinion of the Trustees, the freehold properties are maintained in a state of repair such that their estimated residual value is no less than their cost, the annual charge for depreciation of freehold properties is nil.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provision are normally recognised at their settlement amount after allowing for any trade discounts due.

1.11 Cash and cash equivalents

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

1.12 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.13 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.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Volunteer services

The value of services provided by volunteers is not incorporated into these financial statements.

1.16 Taxation

The charitable company is exempt from tax on income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

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.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds restated
	2025	2025	2025	2024
	£	£	£	£
Donations and gifts	331,598	26,000	357,598	290,907
Donated goods and services	-	-	-	5,000
	=====	=====	=====	=====

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Students' housing benefits	466,762	513,383
Students' DWP benefits	67,903	66,975
	<u>534,665</u>	<u>580,358</u>

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Rental income	127,023	101,620
Interest receivable	3,021	1,489
	<u>130,044</u>	<u>103,109</u>

6 Raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<u>Raising donations and legacies</u>		
Staff costs	2,845	2,786
	<u>2,845</u>	<u>2,786</u>

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Charitable activities

	Rehab- ilitation 2025 £	Outreach ministry 2025 £	Egangs 2025 £	Total 2025 £	Rehab- ilitation 2024 £	Outreach ministry 2024 £	Egangs 2024 £	Total 2024 £
Staff costs	287,888	94,168	-	382,056	199,899	82,671	-	282,570
Costs of residence & catering	76,387	-	-	76,387	56,088	-	-	56,088
Travel	22,939	16,367	-	39,306	20,113	16,995	-	37,108
Donations	3,112	630	10,000	13,742	2,152	1,827	15,000	18,979
Training centre	1,578	-	-	1,578	1,123	-	-	1,123
Bank loan interest	43,450	-	-	43,450	49,684	-	-	49,684
Profit on disposal of assets	-	-	-	-	-	1,637	-	1,637
	435,354	111,165	10,000	556,519	329,059	103,130	15,000	447,189
Share of support costs (see note 8)	364,144	20,957	-	385,101	344,549	19,467	-	364,016
Share of governance costs (see note 8)	34,026	-	-	34,026	25,314	-	-	25,314
	833,524	132,122	10,000	975,646	698,922	122,597	15,000	836,519
Analysis by fund								
Unrestricted funds	832,304	132,122	10,000	974,426	698,922	122,597	15,000	836,519
Restricted funds	1,220	-	-	1,220	-	-	-	-
	833,524	132,122	10,000	975,646	698,922	122,597	15,000	836,519

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

8 Support costs

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Depreciation	84,881	-	84,881	83,258	-	83,258
Rent, rates & water	46,913	-	46,913	30,351	-	30,351
Light and heat	87,071	-	87,071	136,002	-	136,002
Repairs & renewals	137,563	-	137,563	94,428	-	94,428
Office	27,244	-	27,244	18,486	-	18,486
Finance	1,429	-	1,429	1,491	-	1,491
Audit fees / Independent Examination	-	6,640	6,640	-	3,984	3,984
Accountancy	-	5,920	5,920	-	5,580	5,580
Legal and professional	-	21,466	21,466	-	15,750	15,750
	<u>385,101</u>	<u>34,026</u>	<u>419,127</u>	<u>364,016</u>	<u>25,314</u>	<u>389,330</u>
Analysed between Charitable activities	<u>385,101</u>	<u>34,026</u>	<u>419,127</u>	<u>364,016</u>	<u>25,314</u>	<u>389,330</u>

Support costs are allocated to activities based on staff time.

9 Net movement in funds

	2025 £	2024 £
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	84,881	83,258
(Profit)/Loss on disposal of fixed assets	-	(1,637)
Audit Fees/Independent examination	7,968	3,984
Bank loan interest	43,450	49,684
Operating lease charges	<u>12,448</u>	<u>1,248</u>

10 Trustees

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

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Managers	2	2
Support	9	5
Administration	1	1
Total	12	8

Employment costs	2025 £	2024 £
Wages and salaries	354,761	263,388
Social security costs	23,722	16,838
Other pension costs	6,418	5,130
	384,901	285,356

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	51,098	50,058

12 Pension commitments

The charity runs a Stakeholder Pension with Legal & General and a workplace pension with NEST. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £6,418 (2024 : £5,130).

At 31st March 2025 contributions amounting to £1,840 (2024 : £2,225) were payable to the fund and are included in creditors.

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

14 Tangible fixed assets	Freehold land and buildings		Improvements to property		Fixtures and fittings		Computers		Motor vehicles		Total	
	£	£	£	£	£	£	£	£	£	£	£	£
Cost or valuation												
At 1 April 2024	2,008,882	506,368	303,099	8,578	92,924	2,919,851						
Additions	-	-	43,026	-	24,780	67,806						
Disposals	-	-	(108,410)	(7,380)	-	(115,790)						
At 31 March 2025	2,008,882	506,368	237,715	1,198	117,704	2,871,867						
Depreciation and impairment												
At 1 April 2024	-	420,705	198,522	7,296	50,746	677,269						
Depreciation charged in the year	-	10,502	53,934	399	20,046	84,881						
Eliminated in respect of disposals	-	-	(98,294)	(6,896)	-	(105,190)						
At 31 March 2025	-	431,207	154,162	799	70,792	656,960						
Carrying amount												
At 31 March 2025	2,008,882	75,161	83,553	399	46,912	2,214,907						
At 31 March 2024	2,008,882	85,662	104,576	1,282	42,178	2,242,580						

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

14 Tangible fixed assets

(Continued)

During the year ended 31 march 2023 Drayton Hall (Norwich, Norfolk) was donated to the Charity by The Lind Trust.

As the land and building were donated then a valuation was undertaken by a firm of local surveyors, Roche Surveyors. Due to the specialised nature of the property, the fact that it will be used for drug and alcohol rehabilitation and that there are restrictive covenants on the property then the value has been obtained on the basis of the rateable value and alternative uses for the property.

As the property is being used in providing activities to the charity then the directors consider that their is no need to revalue the property each year.

15 Fixed asset investments

Other
investments
£

Cost or valuation

At 1 April 2024 & 31 March 2025

2

Carrying amount

At 31 March 2025

2

At 31 March 2024

2

Other investments comprise:

Notes

2025
£

2024
£

Investments in subsidiaries

24

2

2

16 Debtors

Amounts falling due within one year:

2025
£

2024
£

Other debtors

21,564

20,680

Prepayments and accrued income

16,914

3,358

38,478

24,038

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	19	71,989	59,241
Other taxation and social security		6,104	5,956
Trade creditors		21,106	49,320
Other creditors		4,251	6,101
Accruals and deferred income		22,744	12,533
		<u>126,194</u>	<u>133,151</u>

18 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	19	431,367	516,104
		<u>431,367</u>	<u>516,104</u>

19 Loans and overdrafts

	2025 £	2024 £
Bank loans	503,356	575,345
	<u>503,356</u>	<u>575,345</u>
Payable within one year	71,989	59,241
Payable after one year	431,367	516,104
	<u>431,367</u>	<u>516,104</u>
Amounts included above which fall due after five years:		
Payable by instalments	85,404	189,396
	<u>85,404</u>	<u>189,396</u>

A term loan from Barclays of £950,000 was drawn in August 2015. The loan is secured by legal charges on Wilkerson House, the property at the rear of Wilkerson House and Unit 1 at Wilkerson House, together with a debenture dated 4 April 2007.

Interest is repayable at a rate equal to the aggregate of SONIA (Sterling Overnight Index Average) and the bank's margin of 3.110% per annum. Repayments of the loan capital are payable over 112 monthly instalments following. Capital repayment of the loan commenced during the year ended 31 March 2017. The loan is fully repayable in 2030.

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Drayton Hall - Donated property	500,000	-	-	-	500,000
Minibus		26,000	(1,220)	(24,780)	-
	<u>500,000</u>	<u>26,000</u>	<u>(1,220)</u>	<u>(24,780)</u>	<u>500,000</u>
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Drayton Hall - Donated property	500,000	-	-		500,000
Ministry Bus	47,665	-	-	(47,665)	-
	<u>547,665</u>	<u>-</u>	<u>-</u>	<u>(47,665)</u>	<u>500,000</u>

In the year ended 31 March 2023 The Lind Trust donated Drayton Hall to the Charity. As Teen Challenge needs permission from The Lind Trust to dispose of the property, the property has been left in the restricted fund as there is a continuing restriction to use on the property.

21 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	1,714,907	500,000	2,214,907
Investments	2	-	2
Current assets/(liabilities)	140,011	-	140,010
Long term liabilities	(431,367)	-	(431,367)
	<u>1,423,552</u>	<u>500,000</u>	<u>1,923,552</u>

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

21 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	1,742,580	500,000	2,242,580
Investments	2	-	2
Current assets/(liabilities)	153,258	-	153,258
Long term liabilities	(516,104)	-	(516,104)
	<u>1,379,736</u>	<u>500,000</u>	<u>1,879,736</u>

22 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	18,059	1,259
Between two and five years	71,430	1,889
In over five years	83,600	-
	<u>173,089</u>	<u>3,148</u>

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Total key management personnel remuneration	<u>51,098</u>	<u>50,058</u>

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

23 Related party transactions

(Continued)

Transactions with related parties

The Chief Executive is a Trustee of the Exit Foundation Charity. During the year the charity entered into the following transactions with this charity:

- £4,800 (2024 : £4,800) was received for office hire.
- £10,000 (2024 : £15,000) grant given to the Exit Foundation.
- At the year end £3,845 (2024 : £6,099) of donations was received on behalf of the Exit Foundation and will be distributed to them in the forthcoming year. This amount has been included under creditors - note 17.

The Chief Executive is a Trustee of the TCL Reuse Charity. Teen Challenge leases a property to TLC Reuse under a formal commercial lease. During the year ended 31 March 2025, rent of £60,000 (2024: £60,000) was charged to Teen Challenge. There was no rent outstanding at the year end (2024: £NIL). The lease was entered into on normal commercial terms and at a market rental value. No other benefits were provided to, or received from, TCL Reuse during the year. There is also a interest free loan due from TCL-Re use of £15,000 (2024 : £15,000). This amount has been included under debtors - note 16.

The Chief Executive is a Trustee of the Centre for Excellence in Education and Training. During the year ended 31 March 2025 rent of £1,200 (2024 : £800) was received for room hire. No rent was outstanding at the year end (2024 : £NIL).

During the year some of the church organisations that the Trustees are involved with gave donations totalling £29,200 (2024 : £56,030).

TEEN CHALLENGE LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

24 Subsidiaries

Details of the charity's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
TC Landscapes And Group Maintenance Ltd	United Kingdom	Landscaping & Ground Maintenance	Ordinary Shares	2.00

TC Landscapes and Group Maintenance Ltd was dormant during the current and previous financial year.

25 Cash generated from operations	2025 £	2024 £
Surplus for the year	43,816	140,069
Adjustments for:		
Investment income recognised in statement of financial activities	(130,044)	(103,109)
Depreciation and impairment of tangible fixed assets	84,881	83,258
Movements in working capital:		
(Increase)/decrease in debtors	(13,942)	120,496
(Decrease) in creditors	(19,704)	(23,934)
Cash (absorbed by)/generated from operations	(34,993)	216,780

26 Analysis of changes in net (debt)/funds	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	262,371	(34,645)	227,726
Loans falling due within one year	(59,241)	(12,748)	(71,989)
Loans falling due after more than one year	(516,104)	84,737	(431,367)
	<u>(312,974)</u>	<u>37,344</u>	<u>(275,630)</u>

27 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.