

TEES VALLEY COMMUNITY CHURCH

Accounts – 31st August 2020

TEES VALLEY COMMUNITY CHURCH

A company limited by guarantee and not having a share capital)

Charity number: 1114596
Company number: 5735104

Accounts – 31st August 2020

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TEES VALLEY COMMUNITY CHURCH

**REPORT OF THE TRUSTEES
for the year ended 31st August 2020**

The trustees are pleased to present their annual report and financial statements of the charitable company for the year ended 31st August 2020 which are also prepared to meet the requirements for a directors' report and accounts for Company Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 the Republic of Ireland (FRS 102) (effective 1st January 2015).

Reference and Administration Details

The charity's name is Tees Valley Community Church.

Charity Registration Number: 1114596

Company Number: 5735104

Registered and Principal Office: The Oakwood Centre, Cleasby Way, Eaglescliffe, Stockton-on-Tees,
Teeside, TS16 0RD

Bankers: HSBC, 136 High St, Stockton-on-Tees, TS18 1LR

Accountants: A.J. Carter & Co, 22b High St, Witney, Oxfordshire, OX28 6RB

Trustees and Directors

The trustees of the charitable company are its directors for the purposes of charity law. The trustees and officers who served during the year and since the year end were as follows:

M Dunkley	M Biddlecombe
G Bond	J West
J Marley	
A Malbon	
Secretary: D Marley	

Key Management Personnel

Company Secretary – David Marley appointed on 29 September 2019

The day to day running of the church is delegated to the senior pastoral and operational staff. The staff are led by the senior leaders Martin Dunkley, Lynda Dunkley and the Executive leader Matt Biddlecombe. The senior leadership team is as follows:

Martin Dunkley – Senior Leader
Lynda Dunkley – Senior Leader
Matt Biddlecombe – Executive Leader
Anna Biddlecombe – Children and Families Leader
Ray Mills – Senior Pastor

**REPORT OF THE TRUSTEES
for the year ended 31st August 2020**

Objectives and Activities

The main objectives of the charity are:

- a) To advance the Christian faith in accordance with the statement of beliefs.
- b) The relief of persons who are in conditions of need or hardship or who are aged or sick.
- c) The provision of instruction in principles of the Christian faith.
- d) To provide and maintain services and facilities for the benefit of the community of Tees Valley and the surrounding neighbourhood.

The main activity is the provision of a Christian church and associated activities.

In planning the activities of the charitable company the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

The charitable company's activities of advancement of the Christian faith and associated activities are available to the people of Tees Valley and the wider area to make a positive contribution to the local and wider community.

The strategies for achieving our aims include weekly Sunday services, regular meeting and activity groups, events, training and outreach activities.

Ongoing activities will continue in the short and long term. There is a long term aspiration to develop the Enterprise Village.

The Charity provides significant financial and non financial support to fellow Christian causes based locally, in the wider area and overseas.

Volunteers make a significant contribution to our general activities and our various activity and training groups. Approximately 150 volunteers gave their services during the year.

Achievements and Performance

The Charity continued to build on and fulfil its objectives during the year. It continued to successfully advance the Christian faith through weekly Sunday meetings and through a network of mid week small group meetings. A wide range of events, courses and working parties, focusing on the spread of the gospel, have continued. The charity continues to monitor all its activities to ensure it is on course to achieve its objectives of advancing the Christian faith.

The main measure of the Charity's achievements is the number of people attending the weekly Sunday meetings, the mid week small group meetings and the various other courses, events and activities run.

If there is an increase in the number of people attending the Charity's events, this should lead to an increase in donations and therefore the Charity will be able to expand the level of activities it undertakes.

Until the impact of Covid and local and national lockdowns, the Charity had seen significant growth in the number of people attending Sunday services each week or joining the church on a weekly basis long term. Due to the impact of Covid, the Charity has focused on delivering Sunday morning services online and has invested in the resources to do this well.

The Charity has also had to adjust all its other activities to comply with the Covid restrictions. Some of the Charity's other activities, such as supporting providing pastoral care and support to the church and the wider community in person have had to cease in person. However, the work has continued online using various social media platforms and online video conferencing. The children's work has continued online, with over 30 children attending the regular online meetings and the weekly youth group has continued online with between 20-40 young people attending each week.

REPORT OF THE TRUSTEES
for the year ended 31st August 2020 (Continued)

Achievements and Performance (continued)

The Charity has also held 2 outdoor events with over 200 attendees at both of these events.

The Charity continues to provide support for a variety of good causes both locally and internationally. In terms of overseas missions, the Charity has provided financial support to a variety of countries including Ukraine, Poland, Ukraine, India, Namibia, Thailand, Kazakhstan. The Charity continues to grow its support and presence internationally and prior to Covid it sent teams to Poland and Ukraine to lead conferences. The Charity is also developing links with churches in Canada and the USA and they received a mission team from the USA prior to the first national lockdown as part of the plan to develop its international partnerships.

The Charity was due to send teams to visit Poland, Thailand, USA, Canada and Ukraine, but these trips had to be cancelled due to Covid.

The Charity has provided financial support for establishment and continued activities of a number of Christian churches within the North East of England. Specifically, the Charity has continued to support a new church plant in the city of York, providing both financial support and leadership training for the team heading up the new church plant.

The Charity also works with and play a key role with ecumenical collaborations across The Tees Valley, working with Youth for Christ to see the lives of young people across the Tees Valley changed. The Charity was also been a key partner in the Teesside Churches Together initiative, however all in person initiatives had to be cancelled due to Covid.

Through our partnership with TVCP the Charity has increased its work and financial giving to the most deprived people and communities in our region, supporting a number of new and existing projects and initiatives.

The partnership with TVCP has also seen the creation of a partnership with The Message Trust, a Christian charity based in Manchester. A local North East hub has been set up and the Charity is working with The Message Trust on local projects serving the most socially deprived communities in the Tees Valley area.

The Charity also hosted a team of volunteers on the gap year programme Daniel Challenge, which is a leadership and discipleship programme for 18-30 years old.

Cash Reserves Policy

A formal policy on reserves was agreed at the meeting of the Trustees on 31 January 2021.

It states:

The Trustees have set a reserves policy which requires maintaining free cash balances in the general fund amounting to £85,000, being approximately 3 months staff salary. Reserves should be maintained at this level which ensures that the Charity's core activity could continue during a period of unforeseen difficulty. The reserves should be maintained in an easily accessible form. The calculation of the required level of reserves is an integral part of the organisation's annual planning, budget and forecast cycle. It takes into account:

Risks associated with each stream of income and expenditure being different from that budgeted. Planned activity level, and the Church's commitments to its stakeholders. Unexpected shutdown of the Church. Future spending plans and expected liabilities and anticipated building costs. It also reflects as far as possible the current economic climate and trends.

The reserves policy will be reviewed by the Trustees every 12 months.

REPORT OF THE TRUSTEES
for the year ended 31st August 2020 (Continued)

Financial Review

The major risks facing the Charity are:

- The financial impact of Covid due to potential unemployment and a reduction in funding which mainly comes from voluntary donations;
- Health risks from Covid which may impact on the Charity's ability to perform all its tasks;
- A reduction or withdrawal of gift aid if government policy changes;
- Significant unforeseen expenditure, likely to be related to property.

The Charity manages these risks by regularly reviewing income levels and expenditure levels, cash reserves and providing ongoing maintenance of the site and property, ensuring the property is maintained to a high standard. The Charity aims to maintain cash reserves at levels that would cover any unforeseen expenditure and loss of income to enable it to continue whilst formulating an alternative financial strategy.

The overall result for the year was a net income of £46,938.

Gifts and donations for the year increased by £57,272.

The support to missions, which includes support to TVCP, church ministry, training activities and church development is £171,183.

The support to the York church plant was £10,000.

The overall result for the year was a net income of £46,938.

The total income for the year was £602,809 and total expenditure on charitable activities amounted to £555,871. The balance on unrestricted funds at the year end was £1,681,506 and on restricted funds £19,301.

The main source of income for the year was donations.

Plans for Future Periods

As a church we are looking to consolidate our financial position to enable greater support for new and existing ministries. This will enable us to support new and existing ministries and charities that support people living in poverty and suffering financial hardship and to enhance the lives and opportunities of all people in the Tees Valley area, but specifically those with the greatest needs.

As we continue to grow, specifically in the numbers of people who have been attending our Sunday meetings, we are considering options should the congregation grow beyond the capacity of the building. We are also considering further staffing to meet the needs of a growing congregation.

As we look to continue to grow as a church, we have appointed a Communications officer and an Operations Manager, to help drive forward the growth of the church. The Charity is also considering investing in a children and youth worker.

As we continue to set the vision and direction of the church in the future, we are continuing to focus on vision driven budgeting and implementing new policies and structures to enable this.

The main area of future development is the creation of a Community Grocers in partnership with The Message Trust. This will be based on the site of our partner charity TVCP with storage facilities based at the Charity's premises. This development is to provide cheap food for people with the most needs to buy.

One of the main areas of future development is the Enterprise village, where the Charity is aiming to develop land on its site to create businesses and job training opportunities through training and apprenticeships. Once established this will provide a positive community environment.

REPORT OF THE TRUSTEES
for the year ended 31st August 2020 (Continued)

Plans for Future Periods (continued)

However due to the current situation and the lockdown due to Coronavirus all future plans have been adjusted. The short-term plans are to ensure that we as a church are able to meet all our financial liabilities and to provide pastoral care and support to all the church members. This support will include caring for church members and also providing practical support where needed if church members are placed into financial difficulties.

Risk Management

The Trustees have a duty to identify and review the risks which the charity is exposed to. To enable the Trustees to manage risks we have systems of internal control to protect and mitigate against any reasonably foreseeable risk. The control systems include:

- Annual forecasting and budgeting setting, approved by the Trustees.
- Regular Trustee meetings where financial reports are reviewed.
- Risk assessments.
- Delegation of duties.

We regularly review the main risks faced by the church and the main risks that have been identified for a church like ours are finance, safeguarding, health and safety, building maintenance and security. We use a variety of people from either within the church or external third parties to provide advice and guidance on the relevant areas of risk. We use people with expertise in the different areas of risk to provide specialist and expert advice.

We believe that the internal financial controls comply with the relevant Charity Commission guidance.

Structure, Governance and Management**Governing Document**

Tees Valley Community Church is a company limited by guarantee governed by its Memorandum and Articles of Association 8th March 2006 as amended by special resolution dated 12th April 2015. It is registered as a charity with the Charity Commission. Members of the charitable company guarantee to contribute amounts not exceeding £1 to the assets of the charitable company in the event of winding up.

Appointment of Trustees/Directors

The Trustees keep the composition of the board under review and will seek to appoint additional members with appropriate skills and expertise should the need arise. Interested parties are given details of the background of the charitable company in order to make them aware of current activities.

The methods of appointment of Trustees are set out in the Articles of Association.

Members may propose the appointment of a person as a Trustee at any general meeting by following the notice and other requirements set out in the Articles.

The charity may by ordinary resolution appoint a person who is willing to act as a Trustee.

Persons willing to be appointed as Trustees must subscribe to the Statement of Faith attached to the Articles.

In selecting individuals for appointment, the Trustees are required to have regard to the skills, knowledge and experience required for the effective administration of the charity.

The Trustees have recognised that there is a need to develop a training policy for the Trustees. Steps will be taken to finalise this in the coming months.

Decision Making and Management

The Trustees meet monthly to discuss finances, strategic and operational issues and the Trustees have responsibility for all legal decision making.

The church Eldership team meet twice a month to discuss church ministry activities and make decisions on the vision and direction of the church.

REPORT OF THE TRUSTEES
for the year ended 31st August 2020 (Continued)

Decision Making and Management (continued)

There is also a Senior staff team that meets once a month to make practical decisions on the church vision and how this will be implemented in practice.

Day to day decisions are delegated to operational staff and employed Pastors. All church staff are encouraged to make proposals and suggestions for discussion at either the meeting of Trustees or the Executive Team meetings.

Key Management Personnel

As with all staff, pay increases are considered annually by the Trustees. When reviewing salaries the Trustees have consideration of both the charitable and private sector as benchmarks. Any Trustee with a conflict of interest will absent themselves from any discussions on pay reviews for themselves or other parties who they have an interest in.

Related parties and collaborations

In pursuit of its objectives, the charity supports and collaborates with a number of other charitable organisations and local churches.

TVCP and 3:13

TVCP is a local charity that works on a variety of projects, mainly working with people from socially deprived backgrounds, providing training and job opportunities to help people gain employment. In partnership with TVCP, we have developed our site to include office space for TVCP and 3-13 to provide training and courses. Over the last 12 months TVCP and 3-13 have worked closely with the Community service providers providing training and opportunities for those serving time on community service, and also with the job centre. TVCP is a close partner of the Charity, and we have been working together to see people's lives and prospects changed, providing formal training and individual mentoring for the learners working with TVCP.

Taking Ground

This is a group of churches connected together and based in the North East of England and North Yorkshire. As a group of churches we work together to support each others work, providing joint leadership and training opportunities. Working together with Taking Ground, the Charity has established a bible school at our centre and the main teaching on the bible school has been provided by members of the Charity. In partnership with Taking Ground we have also run Gap year programme, for young adults, which is a mixture of training and qualifications and practical experience serving into local communities, gaining leadership skills and serving socially deprived areas.

CAP

Christians Against Poverty (CAP) is a Christian charitable company in the United Kingdom founded in Bradford, West Yorkshire by John Kirkby in 1996. It is a national organisation specialising in debt counselling for people in financial difficulty, including those in need of bankruptcy or insolvency. It also provides Job Clubs for those seeking employment and Fresh Start Courses for people looking to overcome addictions and dependencies. We have an employed worker based in our premises providing the full debt and advice service to customers based in the Stockton area, and helping with practical needs such as food hampers and finding furniture and clothes for people.

The Message Trust

The Message Trust is a Christian charity working to improve the lives of young people in the UK and beyond through work in schools, prisons and communities. Working in partnership with churches and other organisations, The Message Trust is in contact with around 100,000 young people each year. The Message Trust have set up a North East hub based in our centre, and we are working in partnership to help people from the most socially deprived areas of the Tees Valley. The Message Trust also run a schools programme called Respect Me, where they go into schools to provide advice and teaching on relationships and identity. We work closely with The Message Trust Respect Me employee, who also works as part of the youth work team at the Charity. We are also working with them to set up a Communities Grocers to provide cheap food to local communities.

REPORT OF THE TRUSTEES
for the year ended 31st August 2020 (Continued)

Junction 42

Junction 42 works in prisons and communities across the north east England and central Scotland, supporting people throughout the journey of custody and rehabilitation. Their vision is to see the lives of offenders and their communities visibly transformed through support, empowerment and opportunity. The support is lasting and is built around, Employability & Entrepreneurship; building up confidence and experience to develop work-ready skillsets and entrepreneurial mindsets. We work together to provide support, mentoring and assistance to reconnect people with the world and to help them back into jobs. Junction 42 has set up their regional office within our main building and a number of the pastoral leadership team of the Charity work with Junction 42 either voluntarily or on a part time paid basis, strengthening this partnership. We also run a weekly church service jointly with Junction 42 and the Moses Project where we are the lead church supporting the event.

Taking Ground Music

Taking Ground Music serves not only our church, but all the churches together in Taking Ground, providing creative resources and creating new music and worship events for the wider community to take part in. They have continued to create new songs over the last year and had been invited to lead worship at a number of small and large events prior to Covid.

This report has been prepared in accordance with the special provisions relating to companies subject to the Small Companies Regime within part 15 of the Companies Act 2006.

This Report was approved by the Board on 17th May 2021

J West

Signed on its behalf by:

Trustee/Director

Eaglescliffe

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees on my examination of the accounts of Tees Valley Community Church for the year ended 31st August 2020.

Responsibilities and Basis of Report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants.

I have completed my examination. I confirm that no material 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 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

A P Williams FCCA
A J Carter & Co
Chartered Accountants

22b High Street
Witney
Oxon
OX28 6RB

18th May 2021

STATEMENT OF FINANCIAL ACTIVITIES*(including an income and expenditure account)***for the year ended 31st August 2020**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
		£	£	£	£
Income from:					
Donations	3	566,399	9,966	576,365	519,093
Charitable activities	4	19,872	-	19,872	32,628
Other trading activities	5	6,460	-	6,460	10,806
Investments	6	112	-	112	146
Total incoming resources		<u>592,843</u>	<u>9,966</u>	<u>602,809</u>	<u>562,673</u>
Expenditure on:					
Charitable activities	7	<u>539,788</u>	<u>16,083</u>	<u>555,871</u>	<u>548,014</u>
Total expenditure		<u>539,788</u>	<u>16,083</u>	<u>555,871</u>	<u>548,014</u>
Net income/(expenditure) and net movement in funds for the year		53,055	(6,117)	46,938	14,659
Transfer between funds		-	-	-	-
Net movement in funds		<u>53,055</u>	<u>(6,117)</u>	<u>46,938</u>	<u>14,659</u>
Reconciliation of funds					
Total funds brought forward		<u>1,628,451</u>	<u>25,418</u>	<u>1,653,869</u>	<u>1,639,210</u>
Total funds carried forward		<u>£1,681,506</u>	<u>£19,301</u>	<u>£1,700,807</u>	<u>£1,653,869</u>

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

All income and expenditure derives from continuing activities.

The notes on pages 12 to 20 form part of these financial statements

TEES VALLEY COMMUNITY CHURCH

10.

**BALANCE SHEET
as at 31st August 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	<u>1,543,970</u>	<u>1,544,875</u>
Total fixed assets		<u>1,543,970</u>	<u>1,544,875</u>
Current assets			
Debtors	14	35,170	14,017
Investments	15	70,935	80,823
Cash at bank and in hand		<u>75,083</u>	<u>39,224</u>
Total current assets		181,188	134,064
Liabilities			
Creditors falling due within one year	16	<u>24,351</u>	<u>22,826</u>
Net current assets		<u>156,837</u>	<u>111,238</u>
Total assets less current liabilities		1,700,807	1,656,113
Creditors: falling due after more than one year	17	-	2,244
Total net assets	18	<u><u>£1,700,807</u></u>	<u><u>£1,653,869</u></u>
The funds of the Charity			
Restricted income funds	19	<u>19,301</u>	<u>25,418</u>
Unrestricted income funds	19	<u>1,681,506</u>	<u>1,628,451</u>
Total unrestricted funds		<u>1,681,506</u>	<u>1,628,451</u>
Total charity funds		<u><u>£1,700,807</u></u>	<u><u>£1,653,869</u></u>

For the year ended 31st August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' Responsibilities

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and

The directors acknowledge their responsibilities for complying with the requirements of the act with respect to the accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the special provisions relating to companies subject to the Small Companies Regime within part 15 of the Companies Act 2006.

These accounts were approved by the board of directors and authorised for issue on: 17th May 2021 and are signed on their behalf by:

J West

.....
Director/Trustee

The notes on pages 12 to 20 form part of these financial statements

CASH FLOW STATEMENT
for the year ended 31st August 2020

	2020	2019
	£	£
<u>Statement of Cash Flows</u>		
Cash flows from operating activities:		
Net cash provided by operating activities	33,487	29,649
Cash flows from investing activities:		
Interest	112	146
Purchase of tangible assets	(7,628)	(5,438)
Net increase in cash	<u>25,971</u>	<u>24,357</u>
Cash at bank and cash equivalents at beginning of year	1,200.47	95,690
Cash in hand and cash equivalents	<u>146,018</u>	<u>£120,047</u>
<u>Reconciliation of Net Income to Net Cash Flow from Operating Activities</u>		
Net income	46,938	14,659
Depreciation	8,533	10,400
Interest	(112)	(146)
(Increase)/decrease in debtors	(21,153)	12,438
Increase/(decrease) in creditors	<u>(719)</u>	<u>(7,702)</u>
Net cash provided by operating activities	<u>£33,487</u>	<u>£29,649</u>
<u>Analysis of Cash</u>		
Cash at bank and cash equivalents	146,018	120,047
	<u>£146,018</u>	<u>£120,047</u>

NOTES TO THE ACCOUNTS
for the year ended 31st August 2020

1. Accounting Policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The charitable company constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) Income Recognition Policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the items of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Income received in advance of a specific performance or provision of other specified service is deferred until the criteria for income recognition are met.

c) Donated Services and Facilities

In accordance with the Charities SORP (FRS 102) the general time of volunteers is not recognised in the accounts.

d) Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

e) Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for the particular areas of the Charity's work or for specific projects being undertaken by the Charity.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2020 (continued)

f) Expenditure and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on Charitable activities includes the cost of running the church, café and associated projects.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Operating Leases

The Charity classifies the lease of photocopying equipment as operating leases, the title to the equipment remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

h) Tangible Fixed Assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a reducing basis as follows:

Asset Category	Annual Rate
Freehold property and improvements	Nil
Equipment (costing over £1,000)	25% per annum
Equipment (costing less than £1,000)	Written off in year of acquisition

i) Debtors

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

j) Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) 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 the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Pensions

The Charity operates a defined contribution scheme, the assets of which are held outside the Charity. The contributions by the Charity in the year are detailed in note 9.

2. Legal Status of the Charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2020 (continued)

3. Income from donations

	2020	2019
	£	£
Gifts, donations and grants	576,365	519,093
	<u>£576,365</u>	<u>£519,093</u>

Of the £576,365 received in 2020 (2019: £519,093) £9,966 was restricted funds (2019: £12,001) and £566,399 (2019: £507,092) unrestricted funds.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102) the economic contribution of general volunteers is not recognised in the accounts.

4. Income from charitable activities

	Unrestricted 2020	Unrestricted 2019
	£	£
Café	19,872	32,628
	<u>£19,872</u>	<u>£32,628</u>

5. Income earned from other trading activity

	2020	2019
	£	£
Income from use of premises	1,144	1,614
Other income	5,316	9,192
	<u>£6,460</u>	<u>£10,806</u>

Of the £6,460 received in 2020 (2019: £10,806) £nil was restricted funds (2019: £nil) and £6,460 (2019: £10,806) unrestricted funds.

6. Investment income

All of the Charity investment income arises from money held in HSBC Bank.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2020 (continued)

7. Analysis of expenditure on charitable activities

	Church	Café	2020 Total	2019 Total
	£	£	£	£
Administration salaries	51,152	19,928	71,080	48,994
Ministry wages	148,525	-	148,525	148,464
Missions	171,183	-	171,183	161,623
Other church costs	20,944	816	21,760	28,271
Premises up keep and running costs	84,394	233	84,627	88,887
Catering	2,452	8,696	11,148	18,791
IT, communications and printing	17,087	-	17,087	18,858
Charitable donations	2,360	-	2,360	-
Other administration costs	14,805	128	14,933	19,226
Depreciation	8,533	-	8,533	10,400
Accountancy	4,635	-	4,635	4,500
Total	£526,070	£29,801	£555,871	£548,014

Of the £555,871 expenditure in 2020 (2019: £548,014), £539,788 was charged to unrestricted funds (2019: £546,756) and £16,083 to restricted funds (2019: £1,258).

8. Net income/(expenditure) for the year

	2020	2019
	£	£
<i>This is stated after charging:</i>		
Operating leases - equipment	2,263	2,202
Depreciation	8,533	10,400
Accountancy and Independent Examiner's fees	<u>4,635</u>	<u>4,500</u>

9. Analysis of staff costs and trustee remuneration, expenses and related transactions

	2020	2019
	£	£
Salaries and wages	227,506	208,630
Social security costs	14,455	14,219
Employer contribution to Defined Contribution Pension Scheme	<u>5,767</u>	<u>4,187</u>
	<u>247,728</u>	<u>227,036</u>
Contribution to TVCP for employees on its payroll		
Salaries and wages	20,645	14,366
Social security costs	2,087	1,512
Employer contribution to Defined Contribution Pension Scheme	<u>619</u>	<u>347</u>
	<u>23,351</u>	<u>16,225</u>
Contribution from TVCP for employees on the payroll	<u>(25,985)</u>	<u>(18,579)</u>
Income from other third parties for employees on the charity's payroll	<u>(31,489)</u>	<u>(33,224)</u>
	<u>£213,605</u>	<u>£191,458</u>

NOTES TO THE ACCOUNTS
for the year ended 31st August 2020 (continued)

Analysis of staff costs and trustee remuneration, expenses and related transactions (continued)

No employees had emoluments in excess of £60,000 (2019: Nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

Two of the trustees of the charitable company are also a pastors within the church and has received the following amounts from the charitable company relating to their pastoral services.

	2020	2019
	£	£
C Vale (resigned 24th March 2019)		
Salary	-	23,702
Social security costs	-	2,494
Employer contribution to Defined Contribution Pension Scheme	-	525
	<u>£-</u>	<u>£26,721</u>
	2020	2019
	£	£
M Biddlecombe		
Salary	43,000	40,789
Social security costs	4,777	4,452
Employer contribution to Defined Contribution Pension Scheme	1,290	982
	<u>£49,067</u>	<u>£46,223</u>

A husband of one of the trustees is employed within the church and has received the following amounts from the charitable company relating to their training administration services.

	2020	2019
	£	£
D Marley (part recharged to TVCP)		
Salary	35,424	34,560
Social security costs	3,692	3,597
Employers pension contributions	1,063	835
	<u>£40,179</u>	<u>£38,992</u>

The company's Memorandum and Articles of Association specifically prohibits them from receiving any remuneration or benefit in respect of their role as directors of the company or trustees of the charity. They are remunerated in their capacity as pastors or employees of the church as expressly permitted.

Expenses paid to three trustees/trustees' spouses in the year for travel and conferences amounted to £2,071 (2019: Four trustees/trustees' spouses £3,210)

The Trust considers its key management personnel comprise the Trustees. The total employment benefits of the key management personnel in the year was £89,246 (2019: Trustees and other staff £111,936). Some of this total was then recharged on to other charities.

During the year the trustees and their spouses and the key management personnel donated £19,770 (2019 : £32,660) to the charity in total.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2020 (continued)

10. Staff numbers

The average monthly number of employees during the year was as follows:

	2020 Number	2019 Number
Ministerial	5	5
Community and outreach	1	1
Administration	5	3
Café	2	3
	<u>13</u>	<u>12</u>

11. Related party transactions

Some of the trustees of Tees Valley Community Church are also trustees of TVCP, a charitable company that runs projects in the community.

During the year Tees Valley Community Church gifted TVCP £84,340 (2019: £78,158) and paid a further £23,351 (2019: £16,225) in respect of a reimbursement of salary costs.

TVCP paid Tees Valley Community Church £25,985 (2019: £18,579) in respect of reimbursement of salary costs.

At the year end TVCP owed Tees Valley Community Church £1,095 (2019: £261) and was owed £917 (2019: £nil) and these are included in debtors and creditors respectively.

12. Corporation tax

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

13. Tangible fixed assets

	Freehold land and buildings £	Other equipment £	IT equipment £	Office equipment £	Total £
Cost:					
As at 01.09.2019	1,512,773	28,914	81,949	27,896	1,651,532
Additions	-	5,319	1,169	1,140	7,628
As at 31.08.2020	<u>1,512,773</u>	<u>34,233</u>	<u>83,118</u>	<u>29,036</u>	<u>1,659,160</u>
Depreciation:					
As at 01.09.2019	-	11,817	67,394	27,446	106,657
Charge for year	-	4,496	3,663	374	8,533
As at 31.08.2020	<u>-</u>	<u>16,313</u>	<u>71,057</u>	<u>27,820</u>	<u>115,190</u>
Net book value:					
As at 31.08.2020	<u>£1,512,773</u>	<u>£17,920</u>	<u>£12,061</u>	<u>£1,216</u>	<u>£1,543,970</u>
As at 31.08.2019	<u>£1,512,773</u>	<u>£17,097</u>	<u>£14,555</u>	<u>£450</u>	<u>£1,544,875</u>

NOTES TO THE ACCOUNTS
for the year ended 31st August 2020 (continued)

14. Debtors

	2020	2019
	£	£
Trade debtors	917	1,292
Prepayments and accrued income	4,762	5,959
Other debtors	29,491	6,766
	<u>£35,170</u>	<u>£14,017</u>

15. Current asset investments

	2020	2019
	£	£
Cash on deposit	70,935	80,823
	<u>£70,935</u>	<u>£80,823</u>

16. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	6,037	7,535
Accruals	5,321	5,610
Taxation and social security costs	992	5,051
Other creditors	12,001	4,630
	<u>£24,351</u>	<u>£22,826</u>

17. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	-	2,244

18. Analysis of net assets between funds

	Unrestricted General Fund £	Restricted Funds £	Total £
Tangible fixed assets	1,543,970	-	1,543,970
Cash at bank and in hand	55,782	19,301	75,083
Other net current assets/(liabilities)	81,754	-	81,754
Creditors of more than one year	-	-	-
Total	<u>£1,681,506</u>	<u>£19,301</u>	<u>£1,700,807</u>

NOTES TO THE ACCOUNTS
for the year ended 31st August 2020 (continued)

19. Analysis of charitable funds

Analysis of movements in restricted funds

	Balance 01.09.2019 £	Incoming resources £	Resources expended £	Transfers £	Funds 31.08.20 £
Enterprise village donations	3,740	-	-	-	3,740
Enterprise village grant	6,428	-	-	-	6,428
Thailand mission	-	1,151	(852)	-	299
The Message Hub	4,000	-	(4,000)	-	-
Community garden project	11,250	-	(8,871)	-	2,379
Hardship Fund	-	8,815	(2,360)	-	6,455
Total	£25,418	£9,966	£(16,083)	£-	£19,301

Name of restricted fund	Description, nature and purposes of the fund
Thailand mission	Provides support to local disadvantaged children and develops a farm for the production and sale of crops.
Enterprise village	To finance the cost of the development of an enterprise village to benefit the local community of Tees Valley.
The Message Hub	The Respect ME (Message Hub) programme involves openly engaging with young people. Programme leaders use personal testimony and the teachings of the Bible to encourage young people to make the right life choices and improve their self esteem.
Community garden project	To provide work for Community Services and the unemployed; to grow produce for donation to food banks and other worthy causes; to provide a community garden for use by the Church and surrounding areas.
Hardship fund	To provide assistance to people facing financial difficulties as a result of the Coronavirus pandemic.

Analysis of movements in unrestricted funds

	Balance 01.09.2019 £	Incoming resources £	Resources expended £	Transfers £	Funds 31.08.2020 £
General fund	1,628,451	592,843	(539,788)	-	1,681,506
Total	£1,628,451	£592,843	£(539,788)	£-	£1,681,506

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The 'free reserves' after allowing for all designated funds.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2020 (continued)

20. Commitments

In September 2016 Tees Valley Community Church cancelled the photocopier lease. This left an outstanding liability of £11,220. This is being repaid together with the rentals for the new machine at a cost of £1,112 per quarter for the next 5 years.

21. Pension commitments

The charity operates a defined contribution scheme the assets of which are held separately from those of the charity in an independently administered fund. At the balance sheet date unpaid contributions of £1,145 (2019: £1,062) were due to the fund. They are included in other creditors.