

TEES VALLEY COMMUNITY CHURCH

Accounts – 31st August 2023

TEES VALLEY COMMUNITY CHURCH

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

Charity number: 1114596
Company number: 5735104

Accounts – 31st August 2023

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TEES VALLEY COMMUNITY CHURCH

**REPORT OF THE TRUSTEES
for the year ended 31st August 2023**

The trustees are pleased to present their annual report and financial statements of the charitable company for the year ended 31st August 2023 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 the 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) issued in October 2019.

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	S McFarlane
A Malbon	
Secretary: D Marley	

Key Management Personnel

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 staff team of Matt Biddlecombe, David Marley, Matt Horner and Steven McFarlane. The senior leadership team is as follows:

Martin Dunkley – Senior Leader

Lynda Dunkley – Senior Leader

Matt Biddlecombe – Director of Strategic Operations

Ray Mills – Senior Pastor

Sylvia Mills – Senior Pastor

Matt Horner – Executive Pastor

David Marley – Executive Pastor

Sarah Glasby – Operations Manager

Steven McFarlane – Director of Evangelism

**REPORT OF THE TRUSTEES
for the year ended 31st August 2023**

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 300 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.

The Charity has seen a number of new people start to come to the Church with regular attendance increasing year on year.

The Charity has taken on a building and an employee for the project in South Bank, where we now run meetings most days of the week, provided hot meals and food packages and one to one mentoring, all whilst sharing the gospel.

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, India, Namibia and Kazakhstan. The Charity has provided significant support to church partners in Ukraine. The Charity continues to develop links with churches in Canada and the USA as part of the plan to develop its international partnerships and has received a team of students from the USA to work into the Charity's activities.

REPORT OF THE TRUSTEES
for the year ended 31st August 2023 (Continued)

Achievements and Performance (continued)

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.

Through our partnership with Three13 Training and Enterprise Limited (formerly known as 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 Charity has 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. These include setting up a Community Grocers to provide affordable shopping to the most economically deprived.

Cash Reserves Policy

A formal policy on reserves was agreed by the Trustees.

It states:

The Trustees have set a reserves policy which requires maintaining free cash balances in the general fund amounting to 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.

Financial Review

The major risks facing the Charity are:

- High inflation and increase in core costs due to high inflation and energy costs;
- A reduction or withdrawal of gift aid if government policy changes.
- Significant drop in tithes and gifts; and
- 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.

Financial Summary

Total income for the year was £922,034 compared to £710,661 last year.

Gifts and donations for the year increased by £40,320.

Coffee Shop income for the year increased by £20,018.

Income from Grants increased by £113,866 and most of this is ring-fenced to specific projects.

Income from other Trading Activities increased by £36,522.

Total expenditure for the year was £902,029 compared to £773,707 last year.

Payroll costs for the year increased by £76,425.

The support to missions, which includes support to Three13 Training and Enterprise Ltd, church ministry, training activities and church development was £127,949.

REPORT OF THE TRUSTEES
for the year ended 31st August 2023 (Continued)

Financial Summary (continued)

The overall result for the year was a surplus of £20,005 compared to a deficit of £63,046 last year.

Total funds at the end of the year were £1,702,250 compared to £1,682,245 last year.

There were £78,683 restricted funds at the end of the year compared to £16,670 last year. This increase is mainly due to the grant income ring-fenced to specific projects.

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 re-shaped the leadership team, to help drive forward the growth of the church.

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.

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.

REPORT OF THE TRUSTEES **for the year ended 31st August 2023 (Continued)**

Appointment of Trustees/Directors (continued)

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 bi-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.

There is also an Executive staff team that meets weekly to make 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.

Three13 Training and Enterprise Limited (formerly known as TVCP)

Three13 Training and Enterprise Limited (formerly known as 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 Three13 Training and Enterprise Limited (formerly known as TVCP), we have developed our site to include office space and work experience opportunities for Three13 Training and Enterprise Limited (formerly known as TVCP) to use in their training programmes. Over the last 12 months Three13 Training and Enterprise Limited (formerly known as TVCP) have worked closely with DTVCRC offering training and opportunities for those serving time on community service, and also with the job centre and a number of local Councils through the North East. Three13 Training and Enterprise Limited (formerly known as 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 other's 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.

REPORT OF THE TRUSTEES
for the year ended 31st August 2023 (Continued)

Related parties and collaborations (continued)

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. We work closely with The Message Trust to run a Community Grocers to provide affordable food to local communities and also to run Eden Projects, which are aimed at bringing transformation to local communities.

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 and in Middlesbrough 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 creatives resources and creating new music and worship events for the wider community to take part in.

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 3rd May 2024

J Marley

Signed on its behalf by:
 J Marley - Trustee and Director

Eaglescliffe

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the charity trustees on my examination of the accounts of Tees Valley Community Church for the year ended 31st August 2023.

Responsibilities and Basis of Report

As the charity's trustees (and also the directors of the company for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of our charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 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 matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by Charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

7th May 2024

STATEMENT OF FINANCIAL ACTIVITIES*(including an income and expenditure account)***for the year ended 31st August 2023**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
		£	£	£	£
Income from:					
Donations grants and legacies	3	667,381	28,976	696,357	656,037
Charitable activities	4	61,573	112,867	174,440	40,556
Other trading activities	5	41,413	9,151	50,564	14,042
Investments	6	673	-	673	26
Total incoming resources		<u>771,040</u>	<u>150,994</u>	<u>922,034</u>	<u>710,661</u>
Expenditure on:					
Charitable activities	7	<u>813,048</u>	<u>88,981</u>	<u>902,029</u>	<u>773,707</u>
Total expenditure		<u>813,048</u>	<u>88,981</u>	<u>902,029</u>	<u>773,707</u>
Net income/(expenditure) and net movement in funds for the year		(42,008)	62,013	20,005	(63,046)
Transfer of opening fund balances	18	-	-	-	4,638
Net movement in funds		(42,008)	62,013	20,005	(58,408)
Reconciliation of funds					
Total funds brought forward		<u>1,665,575</u>	<u>16,670</u>	<u>1,682,245</u>	<u>1,740,653</u>
Total funds carried forward		<u>£1,623,567</u>	<u>£78,683</u>	<u>£1,702,250</u>	<u>£1,682,245</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 11 to 20 form part of these financial statements

TEES VALLEY COMMUNITY CHURCH

9.

**BALANCE SHEET
as at 31st August 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	<u>1,545,625</u>	<u>1,572,150</u>
Total fixed assets		<u>1,545,625</u>	<u>1,572,150</u>
Current assets			
Debtors	14	32,353	37,209
Investments	15	80,000	60,971
Cash at bank and in hand		<u>89,406</u>	<u>116,682</u>
Total current assets		201,759	214,862
Liabilities			
Creditors falling due within one year	16	<u>45,134</u>	<u>104,767</u>
Net current assets		<u>156,625</u>	<u>110,095</u>
Total assets less current liabilities		1,702,250	1,682,245
Total net assets	17	<u><u>£1,702,250</u></u>	<u><u>£1,682,245</u></u>
The funds of the Charity			
Restricted income funds	18	<u>78,683</u>	<u>16,670</u>
Unrestricted income funds	18	<u>1,623,567</u>	<u>1,665,575</u>
Total unrestricted funds		<u>1,623,567</u>	<u>1,665,575</u>
Total charity funds		<u><u>£1,702,250</u></u>	<u><u>£1,682,245</u></u>

For the year ended 31st August 2023 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: 3rd May 2024 and are signed on their behalf by:

J Marley

.....
J Marley - Director and Trustee

The notes on pages 11 to 20 form part of these financial statements

CASH FLOW STATEMENT
for the year ended 31st August 2023

	2023	2022
	£	£
<u>Statement of Cash Flows</u>		
Cash flows from operating activities:		
Net cash provided by operating activities	(8,920)	33,553
Cash flows from investing activities:		
Interest	673	26
Purchase of tangible assets	-	(9,626)
Net cash used in investing activities	<u>(8,247)</u>	<u>23,953</u>
Change in cash & cash equivalents in the reporting period	(8,247)	23,953
Cash and cash equivalents at the beginning of the year	177,653	153,700
Cash and cash equivalents at the end of the year	<u>£169,406</u>	<u>£177,653</u>
<u>Reconciliation of Net Income</u>		
<u>to Net Cash Flow from Operating Activities</u>		
Net income for the reporting period (as per the statement of financial activities)	20,005	(63,046)
Adjustments for :		
Depreciation	26,525	18,711
Interest	(673)	(26)
(Increase)/decrease in debtors	4,856	(3,784)
Increase/(decrease) in creditors	(59,633)	81,698
Net cash provided by operating activities	<u>(£8,920)</u>	<u>£33,553</u>
<u>Analysis of Cash</u>		
Cash and cash equivalents	169,406	177,653
	<u>£169,406</u>	<u>£177,653</u>

NOTES TO THE ACCOUNTS
for the year ended 31st August 2023

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 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)) (issued in October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK 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.

For legacies entitlement is taken as the earlier of:

- The date on which the charity is aware that Probate has been granted;
- the estate has been finalised and notification has been made by the Executors to the Trust that a distribution will be made; or
- when a distribution is received from the Estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the Executors intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of the probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2023 (continued)

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.

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 £5,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

Asset Category	Annual Rate
Freehold property and improvements	Nil
Equipment (costing over £5,000)	Fixed amount per annum based on useful economic life at purchase
Equipment (costing less than £5,000)	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.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2023 (continued)

1) **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.

m) **Grants**

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, and any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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.

3. **Income from donations**

	2023	2022
	£	£
Gifts, donations, legacies and grants	696,357	656,037
	<u>£696,357</u>	<u>£656,037</u>

Of the £696,357 received in 2023 (2022: £656,037) £28,976 was restricted funds (2022: £48,417) and £667,381 (2022: £607,620) 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**

	2023	2022
	£	£
Coffee shop	60,574	40,556
Performance related grants and donations	113,866	-
	<u>£174,440</u>	<u>£40,556</u>

Of the £174,440 received in 2023 (2022: £40,556) £112,867 was restricted funds (2022: £nil) and £61,573 (2022: £40,556) unrestricted funds.

5. **Income earned from other trading activity**

	2023	2022
	£	£
Income from use of premises	7,091	5,230
Other income	43,473	8,812
	<u>£50,564</u>	<u>£14,042</u>

Of the £50,564 received in 2023 (2022: £14,042) £9,151 was restricted funds (2022: £nil) and £41,413 (2022: £14,042) unrestricted funds.

TEES VALLEY COMMUNITY CHURCH
NOTES TO THE ACCOUNTS
for the year ended 31st August 2023 (continued)

14.

6. Investment income

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

7. Analysis of expenditure on charitable activities

	Church	Coffee Shop	Community & Outreach	2023 Total	2022 Total
	£	£	£	£	£
Salaries and wages	296,291	44,774	129,829	470,894	394,469
Travel and subsistence	9,942	483	7,445	17,870	4,600
Missions	116,171	-	11,778	127,949	114,680
Equipment	16,572	1,599	8,331	26,502	12,424
Consumables, materials and resources	18,306	33,484	11,604	63,394	50,612
Building running costs	74,368	55	3,182	77,605	93,087
Rent, rates and power	26,867	-	5,107	31,974	29,982
Printing, postage and stationery	3,433	10	311	3,754	2,877
Telephone and IT costs	16,056	587	2,316	18,959	19,173
Fees and services	25,876	1,113	6,232	33,221	29,608
Finance charges	3,274	-	108	3,382	3,484
Depreciation	25,487	300	738	26,525	18,711
Total	£632,643	£82,405	£186,981	£902,029	£773,707

Of the £902,029 expenditure in 2023 (2022: £773,707), £813,048 was charged to unrestricted funds (2022: £727,265) and £88,981 to restricted funds (2022: £46,442).

8. Net income/(expenditure) for the year

	2023	2022
	£	£
<i>This is stated after charging:</i>		
Operating leases - equipment	2,302	2,144
Depreciation	26,525	18,711
Accountancy and Independent Examiner's fees	5,000	6,415

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

	2023	2022
	£	£
Salaries and wages	482,898	381,171
Social security costs	30,562	25,899
Employer contribution to Defined Contribution Pension Scheme	11,505	9,893
	524,965	416,963

TEES VALLEY COMMUNITY CHURCH
NOTES TO THE ACCOUNTS
for the year ended 31st August 2023 (continued)

15.

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

	2023 £	2022 £
Contribution to Three13 Training and Enterprise Ltd for employees on its payroll		
Salaries and wages	5,720	7,928
Social security costs	-	312
Employer contribution to Defined Contribution Pension Scheme	-	115
	<u>5,720</u>	<u>8,355</u>
Contribution to other payrolls		
Salaries and wages	-	3,573
Social security costs	-	185
Employer contribution to Defined Contribution Pension Scheme	-	-
	<u>-</u>	<u>3,758</u>
Contribution from Three13 Training and Enterprise Ltd for employees on the payroll	<u>(8,615)</u>	<u>(11,169)</u>
Contribution from Taking Ground Ltd for employees on the payroll	<u>(38,348)</u>	<u>(32,894)</u>
Income from other third parties for employees on the charity's payroll	<u>(12,828)</u>	<u>(8,823)</u>
	<u><u>£470,894</u></u>	<u><u>£376,190</u></u>

No employees had emoluments in excess of £60,000 (2022: Nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

One of the trustees of the charitable company is also a pastor within the church and has received the following amounts from the charitable company relating to their pastoral services.

	2023 £	2022 £
M Biddlecombe		
Salary	47,670	46,000
Social security costs	5,443	5,341
Employer contribution to Defined Contribution Pension Scheme	1,430	1,380
	<u><u>£54,543</u></u>	<u><u>£52,721</u></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.

	2023 £	2022 £
D Marley (part recharged to Three13 Training and Enterprise Ltd)		
Salary	38,490	37,000
Social security costs	4,116	4,015
Employers pension contributions	1,155	1,110
	<u><u>£43,761</u></u>	<u><u>£42,125</u></u>

TEES VALLEY COMMUNITY CHURCH
NOTES TO THE ACCOUNTS
for the year ended 31st August 2023 (continued)

16.

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

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

	2023	2022
	£	£
A Horner (nee Dunkley)		
Salary	10,234	-
Social security costs	159	-
Employers pension contributions	307	-
	<u>£10,700</u>	<u>£-</u>

The son-in-law of one of the trustees is employed within the church and has received the following amounts from the charitable company relating to their services.

	2023	2022
	£	£
M Horner		
Salary	36,450	-
Social security costs	3,864	-
Employers pension contributions	1,093	-
	<u>£41,407</u>	<u>£-</u>

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

	2023	2022
	£	£
E Biddlecombe		
Salary	144	-
Social security costs	-	-
Employers pension contributions	-	-
	<u>£144</u>	<u>£-</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 trustees/trustees' spouses in the year for travel and subsistence, IT equipment, food and tickets for events and meetings and training cost amounted to £10,393 (2022: trustees/trustees' spouses £240).

The Trust considers its key management personnel comprise the Trustees and company secretary. The total employment benefits of the key management personnel in the year was £98,304 (2022: Trustees and other staff £94,846). 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 £31,281 (2022: £26,903) to the charity in total.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2023 (continued)

10. Staff numbers

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

	2023 Number	2022 Number
Ministerial	5	5
Community and outreach	5	3
Administration	11	9
Café	5	2
	<u>26</u>	<u>19</u>

11. Related party transactions

Some of the trustees of Tees Valley Community Church are also trustees of Three13 Training and Enterprise Ltd (formerly TVCP), a charitable company that runs projects in the community.

During the year Tees Valley Community Church gifted Three13 Training and Enterprise Ltd £6,000 (2022: £12,280) and paid a further £5,720 (2022: £8,355) in respect of a reimbursement of salary costs.

Three13 Training and Enterprise paid Tees Valley Community Church £8,615 (2022: £11,169) in respect of reimbursement of salary costs.

At the year end Three13 Training and Enterprise owed Tees Valley Community Church £1,051 (2022: £738) and was owed £5,061 (2022: £2,159) and these are included in debtors and creditors respectively. In 2022 Three13 Training and Enterprise Ltd also owed Tees Valley Community Church a balance of £4,638 which is a balance on a restricted project where the activities of that project have now been transferred to Tees Valley Community Church.

Three13 Training and Enterprise Ltd occupies a building owned by Tees Valley Community Church on a rent free basis.

Some of the trustees of Tees Valley Community Church are also trustees of Taking Ground, a charitable company whose aims and objectives are to advance the Christian faith in the North east and other areas as the trustees see fit.

During the year Tees Valley Community Church paid Taking Ground £49,416 (2022: £48,738) in respect of a reimbursement of salary costs.

Taking Ground paid Tees Valley Community Church £38,348 (2022: £32,894) in respect of reimbursement of salary costs.

At the year end Taking Ground owed Tees Valley Community Church £15,083 (2022: £nil) and was owed £754 (2022: £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.

NOTES TO THE ACCOUNTS
for the year ended 31st August 2023 (continued)

13. Tangible fixed assets

	Freehold land and buildings £	Other equipment £	IT equipment £	Office equipment £	Total £
Cost:					
As at 01.09.2022	1,512,773	87,977	88,427	29,036	1,718,213
Additions	-	-	-	-	-
As at 31.08.2023	<u>1,512,773</u>	<u>87,977</u>	<u>88,427</u>	<u>29,036</u>	<u>1,718,213</u>
Depreciation:					
As at 01.09.2022	-	39,741	77,970	28,352	146,063
Charge for year	-	16,609	9,232	684	26,525
As at 31.08.2023	<u>-</u>	<u>56,350</u>	<u>87,202</u>	<u>29,036</u>	<u>172,588</u>
Net book value:					
As at 31.08.2023	<u>£1,512,773</u>	<u>£31,627</u>	<u>£1,225</u>	<u>£-</u>	<u>£1,545,625</u>
As at 31.08.2022	<u>£1,512,773</u>	<u>£48,236</u>	<u>£10,457</u>	<u>£684</u>	<u>£1,572,150</u>

14. Debtors

	2023 £	2022 £
Trade debtors	750	6,271
Prepayments and accrued income	7,496	5,999
Other debtors	<u>24,107</u>	<u>24,939</u>
	<u>£32,353</u>	<u>£37,209</u>

15. Current asset investments

	2023 £	2022 £
Cash on deposit	<u>80,000</u>	<u>60,971</u>
	<u>£80,000</u>	<u>£60,971</u>

16. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	12,911	8,794
Accruals	13,176	6,709
Taxation and social security costs	8,774	7,847
Income in advance	4,158	-
Other creditors	<u>6,115</u>	<u>81,417</u>
	<u>£45,134</u>	<u>£104,767</u>

NOTES TO THE ACCOUNTS
for the year ended 31st August 2023 (continued)

17. **Analysis of net assets between funds**

	Unrestricted General Fund £	Restricted Funds £	Total £
Tangible fixed assets	1,544,241	1,384	1,545,625
Cash at bank and in hand	7,949	81,457	89,406
Other net current assets/(liabilities)	71,377	(4,158)	67,219
Total	£1,623,567	£78,683	£1,702,250

18. **Analysis of charitable funds****Analysis of movements in restricted funds**

	Balance 01.09.2022 £	Incoming resources £	Resources expended £	Transfers £	Funds 31.08.23 £
Ukraine	3,886	53,036	(33,510)	-	23,412
Community and outreach	4,122	95,483	(54,946)	-	44,659
Hardship Fund	3,662	2,475	(525)	-	5,612
Leadership training	5,000	-	-	-	5,000
Total	£16,670	£150,994	£(88,981)	£-	£78,683

Name of restricted fund**Description, nature and purposes of the fund**

Thailand and other missions

Provides support to local disadvantaged children and develops a farm for the production and sale of crops and other missions work.

Hardship fund

To provide assistance to people facing financial difficulties as a result of the Coronavirus pandemic.

Ukraine

To provide resources for the Christian and wide community in Ukraine.

Leadership training

To provide funds for training Church Leaders.

Community and outreach

To provide funds for community and outreach projects.

Analysis of movements in unrestricted funds

	Balance 01.09.2022 £	Incoming resources £	Resources expended £	Transfers £	Funds 31.08.2023 £
General fund	1,665,575	771,040	(813,048)	-	1,623,567
Total	£1,665,575	£771,040	£(813,048)	£-	£1,623,567

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 2023 (continued)

19. Commitments

In September 2021 Tees Valley Community Church took out a new lease for a photocopier at a rental of £2,136 per year for the next 5 years.

20. 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 £nil (2022: £2,015) were due to the fund. They are included in other creditors.