

TEES VALLEY COMMUNITY CHURCH

Annual Report and Audited Financial Statements for the Year Ended 31st August 2024



01642 781919



Tees Valley Community Church,
The Oakwood Centre,
Cleasby Way, Eaglescliffe TS16 0RD



admin@tvcchurch.org.uk
www.tvcchurch.org.uk

TEES VALLEY COMMUNITY CHURCH
ANNUAL REPORT & AUDITED FINANCIAL STATEMENTS

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

Charity number: 1114596

Company number: 05735104

Accounts – 31st August 2024

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TEES VALLEY COMMUNITY CHURCH
TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)
for the year ended 31st August 2024

The trustees are pleased to present their annual report and financial statements of the charitable company for the year ended 31st August 2024 which are also prepared to meet the requirements for a directors' report and accounts for Company Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing documents and the company's Memorandum and Articles of Association.

Reference and Administration Details

The charity's name is Tees Valley Community Church.

Charity Registration Number: 1114596

Company Number: 05735104

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

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

Auditors: Baines Jewitt Limited, Spitfire House, 19 Falcon Court, Preston Farm Industrial Estate, Stockton-on-Tees TS18 3TU

Trustees and Directors

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

Martin Dunkley
 Matthew Biddlecombe
 Steven McFarlane
 Julie Marley
 Graham Bond
 Janet West
 Andrew Malbon

Company Secretary – David Marley

Note – on 27 November 2024 two further Directors/Trustees – Gary Sharples and Olayemi Ekisola - were appointed.

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 Steve McFarlane. The senior staff leadership team is as follows:

Martin Dunkley – Senior Leader
 Lynda Dunkley – Senior Leader
 Matthew Biddlecombe – Director of Strategic Operations
 Matthew Horner – Executive Pastor
 David Marley – Executive Pastor
 Sarah Glasby – Operations Manager
 Steven McFarlane – Director of Evangelism

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, Namibia, Kazakhstan and India. The Charity has provided significant support to church partners in Ukraine. The Charity continues to develop links with churches in Thailand, 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.

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 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.

Financial review

Financial Summary

The overall income for the year was £1,063,363 compared to £922,034 in the previous year. The main source of income was from donations and gifts and totalled £795,078.

The overall expenditure for the year was £1,106,003 compared to £902,029 in the previous year. The biggest element of expenditure was for staff pay and totalled £529,019.

The net position for the year was a deficit of £42,640 compared to a surplus of £20,005 in the previous year.

Major risks facing the Charity

- 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.

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.

Cash Reserves Policy

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

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.

Based on August 2024 payroll, balances should have been £143,970 and were £107,330. On 1st July 2024, a new post was appointed to with responsibility for sourcing additional external funding in order to bridge this shortfall.

Based on August 2023 payroll, balances should have been £128,138 and were £156,625.

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.

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.

Statement of Responsibilities of the Trustees

The Trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees' Annual 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 church (the charity and company) and of the income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102);
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and the Charities SORP (Statement of Recommended Practice) have been followed; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the church will continue in operation.

The Trustees are also responsible for:

- Ensuring that adequate accounting records are kept that disclose, with reasonable accuracy at any time, the financial position of the church.
- Safeguarding the assets of the church.
- Taking reasonable steps for the prevention and detection of fraud and other irregularities.
- Ensuring the church complies with the requirements of the Charities Act 2011, the Companies Act 2006, and other applicable legislation.
- Ensuring that activities undertaken align with the church's charitable objectives and do not stray into non-charitable purposes.
- Providing effective governance and oversight for all operations, including spiritual, pastoral, community, and commercial activities.

As a faith-based organisation, the Trustees also recognise their responsibility to uphold the mission and values of the church in all its activities and decisions. They commit to maintaining integrity, transparency, and accountability in both spiritual and financial stewardship.

Insofar as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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 the meeting of Trustees of the Executive Team meetings.

Key Management Personnel Pay Reviews

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

Three13 Training and Enterprise Limited 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, we have developed our site to include office space and work experience opportunities for Three13 Training and Enterprise Limited to use in their training programmes.

Three13 Training and Enterprise Limited 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.

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.

Christians Against Poverty (CAP)

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 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.

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.

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 on20 MAY..... 2025

Signed on its behalf by: 

Matthew Biddlecombe - Trustee and Director

**TEES VALLEY COMMUNITY CHURCH
AUDITOR'S REPORT TO THE TRUSTEES
for the year ended 31st August 2024**

Opinion

We have audited the financial statements of Tees Valley Community Church (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities including Income and Expenditure Account, 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 August 2024 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 charitable company 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 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 company'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 regard to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the Trustees' 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.

Opinion on Other Matter Prescribed by the Companies Act 2006

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

- the information given in the Trustees' report which includes the directors' report prepared for the purpose of company law, for the financial year for which the financial statements are prepared 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 our knowledge and understanding of the charitable company 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/directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 11, the Trustees (who are also the directors of the charitable company for the purposes of charity 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 charitable company'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.

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;

Based on our understanding of the charitable company, we identified that the principal risks of non-compliance with laws and regulations related to Company and Charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated management's opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team include:

- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making accounting estimates were indicative of a potential bias; and
- reviewing minutes of meetings of those charged with governance.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely it is that 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 resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.



Mrs A L Cowley FCA (Senior Statutory Auditor)
for and on behalf of Baines Jewitt Limited
Statutory Auditors
Spitfire House
19 Falcon Court
Preston Farm Industrial Estate
STOCKTON ON TEES
TS18 3TU

21 May 2025

TEES VALLEY COMMUNITY CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
(including an income and expenditure account)
for the year ended 31st August 2024

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Income from:							
Donations and legacies	3	756,115	38,963	795,078	667,381	28,976	696,357
Charitable activities	4	89,990	154,449	244,439	61,573	112,867	174,440
Other trading activities	5	23,846	-	23,846	42,086	9,151	51,237
Total incoming resources		869,951	193,412	1,063,363	771,040	150,994	922,034
Expenditure on:							
Charitable activities	6	909,634	196,369	1,106,003	813,048	88,981	902,029
Total expenditure		909,634	196,369	1,106,003	813,048	88,981	902,029
Net income/(expenditure)		(39,683)	(2,957)	(42,640)	(42,008)	62,013	20,005
Transfer between funds		(5,034)	5,034	-	-	-	-
Net movement in funds	7	(44,717)	2,077	(42,640)	(42,008)	62,013	20,005
Reconciliation of funds							
Total funds brought forward	16	1,623,567	78,683	1,702,250	1,665,575	16,670	1,682,245
Total funds carried forward		1,578,850	80,760	1,659,610	1,623,567	78,683	1,702,250

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

All income and expenditure derive from continuing activities.

The notes on pages 13 to 23 form part of these financial statements

TEES VALLEY COMMUNITY CHURCH

BALANCE SHEET
As of 31st August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	12	1,552,280	1,545,625
Total fixed assets		<u>1,552,280</u>	<u>1,545,625</u>
Current assets			
Debtors falling due within one year	13	18,710	32,353
Debtors falling due after more than one year	13	1,000	-
Cash at bank and in hand		124,724	169,406
Total current assets		<u>144,434</u>	<u>201,759</u>
Liabilities			
Creditors falling due within one year	14	37,104	45,134
Net current assets		<u>107,330</u>	<u>156,625</u>
Total assets less current liabilities		<u>1,659,610</u>	<u>1,702,250</u>
Total net assets	15	<u>1,659,610</u>	<u>1,702,250</u>
The funds of the charity			
Restricted income funds	16	80,760	78,683
Unrestricted income funds	16	1,578,850	1,623,567
Total charity funds		<u>1,659,610</u>	<u>1,702,250</u>

These accounts were approved by the board of directors and authorised for issue on 20/5/2025
and are signed on their behalf by:

..........

Matthew Biddlecombe - Director and Trustee

Company Number: 05735104

The notes on pages 13 to 23 form part of these financial statements

TEES VALLEY COMMUNITY CHURCH

CASH FLOW STATEMENT
for the year ended 31st August 2024

	2024 £	2023 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	(21,633)	(8,920)
Cash flows from investing activities:		
Interest	1,722	673
Purchase of tangible assets	(24,771)	-
Net cash provided by (used in) investing activities	(44,682)	(8,247)
Change in cash & cash equivalents in the year	(44,682)	(8,247)
Cash & cash equivalents at the beginning of the year	169,406	177,653
Cash & cash equivalents at the end of the year	124,724	169,406

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES
for the year ended 31st August 2024

	2024 £	2023 £
Net income/ (expenditure) for the reporting period (as per the statement of financial activities)	(42,640)	20,005
Adjustments for:		
Depreciation	18,116	26,525
Interest	(1,722)	(673)
(Increase)/decrease in debtors	12,643	4,856
Increase/(decrease) in creditors	(8,030)	(59,633)
Net cash provided by (used in) operating activities	(21,633)	(8,920)

Analysis of Cash

Cash and cash equivalents	124,724	169,406
	124,724	169,406

TEES VALLEY COMMUNITY CHURCH

NOTES TO THE ACCOUNTS for the year ended 31st August 2024

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.

b) Going concern

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

c) 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.

d) Donated Services and Facilities

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

e) 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.

f) 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.

g) 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 include 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.

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:

- 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.
- Freehold land and buildings are not depreciated as Trustees and Directors take the view that the value will be maintained over the period of ownership.

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.

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.

n) 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.

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 & legacies

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Donations, Legacies, Gifts & Grants	756,115	38,963	795,078	667,381	28,976	696,357

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 earned from charitable activities

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Coffee Shop	66,706	-	66,706	60,574	-	60,574
Performance related grants & donations	13,867	142,353	156,220	999	112,867	113,866
Other Income	9,417	12,096	21,513	-	-	-
	89,990	154,449	244,439	61,573	112,867	174,440

5. Income earned from other trading activity

2023 restated to exclude netting off charges to/from Three13 Training & Enterprise Limited and Taking Ground

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Income from use of premises	7,475	-	7,475	7,091	-	7,091
Other Income	14,649	-	14,649	34,322	9,151	43,473
Interest	1,722	-	1,722	673	-	673
	23,846	-	23,846	42,086	9,151	51,237

6. Analysis of expenditure on charitable activities

	Unrestricted Funds Church	Unrestricted Funds Coffee Shop	Unrestricted Funds Community & Outreach	Restricted Funds Church	Restricted Funds Community & Outreach	Total Funds
	2024	2024	2024	2024	2024	2024
	£	£	£	£	£	£
Staff Pay	371,602	49,762	57,191	4,743	45,721	529,019
Staff Travel & Subsistence	6,773	787	4,364	6,597	7,745	26,266
Buildings Costs	131,338	248	1,152	4,724	8,110	145,572
Other Direct Costs	38,707	38,236	8,575	15,367	39,475	140,360
Overheads	62,296	419	956	3,633	10,477	77,781
Missions / Gifts	118,398	2	1,450	37,593	11,446	168,889
Depreciation	17,078	300	-	-	738	18,116
	746,192	89,754	73,688	72,657	123,712	1,106,003

2023	Unrestricted Funds Church	Unrestricted Funds Coffee Shop	Unrestricted Funds Community & Outreach	Restricted Funds Church	Restricted Funds Community & Outreach	Total Funds
	2023	2023	2023	2023	2023	2023
	£	£	£	£	£	£
Staff Pay	296,291	44,774	104,819	-	25,010	470,894
Staff Travel & Subsistence	9,942	483	3,964	-	3,481	17,870
Buildings Costs	101,235	55	7,611	-	678	109,579
Other Direct Costs	38,311	36,195	1,624	-	18,622	94,752
Overheads	44,918	598	4,670	288	3,986	54,460
Missions / Gifts	82,424	-	9,347	33,747	2,431	127,949
Depreciation	25,487	300	-	-	738	26,525
	598,608	82,405	132,035	34,035	54,946	902,029

7. Net income/(expenditure) for the year

This is stated after charging:

	2024	2023
	£	£
Property Leases	4,000	-
Equipment Leases	4,298	2,302
Depreciation	18,116	26,525
Audit Fees (2023 restated to exclude payroll services)	8,220	3,120

8. Analysis of Staff Costs and Trustee Remuneration, expenses and related transactions

	2024	2023
	£	£
Salaries and Wages	486,658	482,898
Social Security	30,850	30,562
Employer contribution to Defined Contribution Pension Scheme	11,511	11,505
	<u>529,019</u>	<u>524,965</u>

(The above recharges include employers' national insurance and employers defined pension contributions)

No employees had emoluments in excess of £60,000

Pension costs are allocated to activities in proportion to the related staffing costs incurred.

	2024	2023
	£	£
Restricted	1,396	737
Unrestricted	<u>10,115</u>	<u>10,768</u>

Trustee remuneration

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 employees of the company as expressly permitted.

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 activities:

Matthew Biddlecombe	2024	2023
	£	£
Salary	49,500	47,670
Social security costs	5,608	5,443
Employer contribution to Defined Contribution Pension Scheme	1,485	1,430
	<u>56,593</u>	<u>54,543</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 services:

David Marley	2024	2023
	£	£
Salary	39,816	38,490
Social security costs	4,239	4,116
Employer contribution to Defined Contribution Pension Scheme	1,194	1,155
	<u>45,249</u>	<u>43,761</u>

	2024	2023
	£	£
The total employment benefits of the Trustees in the year were:	101,842	98,304

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:

Abi Horner (nee Dunkley)	2024	2023
	£	£
Salary	10,480	10,234
Social security costs	191	159
Employer contribution to Defined Contribution Pension Scheme	314	307
	10,985	10,700

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:

Matthew Horner	2024	2023
	£	£
Salary	38,806	36,450
Social security costs	4,133	3,864
Employer contribution to Defined Contribution Pension Scheme	1,164	1,093
	44,103	41,407

A daughter of one of the Trustees was employed within the church and received the following amounts from the charitable company relating to their services:

Emma Biddlecombe	2024	2023
	£	£
Salary	1,265	144

	2024	2023
	£	£
Expenses paid to Trustees and their family members in the year amounted to:	11,154	10,393

Expenses reimbursed covered IT Equipment, Other Equipment, Travel & Subsistence and Food for events.

Four Trustees and five family members received reimbursements.

	2024	2023
	£	£
Donations to the charity from Trustees, family members & key management staff:	50,608	31,281

9. Staff numbers

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

	2024	2024	2023	2023
	Headcount	FTE	Headcount	FTE
Administration	12	6.1	11	5.8
Coffee Shop	7	1.8	5	1.4
Community and outreach	4	3.9	5	4.3
Ministerial	5	3.4	5	3.4
	28	15.2	26	14.9

10. Related Party Transactions

Martin Dunkley, Matthew Biddlecombe and Steven Mcfarlane are Trustees of both Tees Valley Community Church and Three13 Training & Enterprise Limited, a charitable company that runs projects in the community.

Details of transactions during the year and balances at the year-end date are as follows:

	2024	2023
	£	£
Expenditure:		
Gifts to Three13 Training & Enterprise Limited	34,000	6,000
Contributions to Three13 Training & Enterprise Limited for employees on its payroll	5,954	5,720
Income:		
Contributions from Three13 Training & Enterprise Limited for employees on the payroll	4,982	8,615
Included in debtors:		
Owed by Three13 Training & Enterprise Limited	166	1,051
Included in creditors:		
Owed to Three13 Training & Enterprise Limited	56	5,061

Three13 Training & Enterprise Limited occupies a building owned by Tees Valley Community Church on a rent-free basis.

Martin Dunkley, Matthew Biddlecombe and Steven Mcfarlane are Trustees of both Tees Valley Community Church and 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.

Details of transactions during the year and balances at the year-end date are as follows:

	2024	2023
	£	£
Expenditure:		
Support to Taking Ground	59,719	49,416
Income:		
Contributions from Taking Ground for employees on the payroll	3,322	38,348
Included in debtors:		
Owed by Taking Ground	-	15,083
Included in creditors:		
Owed to Taking Ground	-	754

11. 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.

12. Tangible Fixed Assets

	Freehold Land and Buildings £	IT Equipment £	Office Equipment £	Other Equipment £	Total £
Cost as at 01.09.23	1,512,773	88,427	29,036	87,977	1,718,213
Additions in year	-	-	-	24,771	24,771
Disposals in year	-	(64,977)	(27,896)	-	(92,873)
Cost as at 31.08.2024	<u>1,512,773</u>	<u>23,450</u>	<u>1,140</u>	<u>112,748</u>	<u>1,650,111</u>
Depreciation as at 01.09.2023	-	87,202	29,036	56,350	172,588
Disposals in year	-	(64,977)	(27,896)	-	(92,873)
Charge for year	-	784	-	17,332	18,116
Depreciation as at 31.08.2024	<u>-</u>	<u>23,009</u>	<u>1,140</u>	<u>73,682</u>	<u>97,831</u>
Net book value as at 01.09.2023	1,512,773	1,225	-	31,627	1,545,625
Net book value as at 31.08.2024	<u>1,512,773</u>	<u>441</u>	<u>-</u>	<u>39,066</u>	<u>1,552,280</u>

13. Debtors

	2024	2023
	£	£
Trade debtors	1,335	750
Prepayments	7,446	6,586
Accrued Income	9,763	8,883
Other debtors	166	16,134
	<u>18,710</u>	<u>32,353</u>
Long Term Debtors	1,000	-
	<u>1,000</u>	<u>-</u>

14. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	15,767	12,911
Income In Advance	-	4,158
Accrued Costs	21,056	13,176
Taxation and Social Security	-	8,774
Other creditors	281	6,115
	<u>37,104</u>	<u>45,134</u>

15. Analysis of net assets between funds

	General	Restricted	Total
	£	£	£
Tangible fixed assets	1,551,634	646	1,552,280
Cash at bank and in hand	43,964	80,760	124,724
Other net current assets/(liabilities)	(17,394)	-	(17,394)
Total	<u>1,578,204</u>	<u>81,406</u>	<u>1,659,610</u>

16. Analysis of charitable funds

	Opening Balance 2024 £	Incoming Resources 2024 £	Resources Expended 2024 £	Transfers 2024 £	Closing Balance 2024 £
General Fund	1,623,567	869,951	(909,634)	(5,034)	1,578,850
<u>Restricted Funds</u>					
Enterprise Projects	-	21,530	(990)	-	20,540
Leadership Development	5,000	-	-	-	5,000
Youth Trips	-	19,011	(15,750)	-	3,261
Hardship Fund	5,612	959	(1,436)	-	5,135
Community & Outreach	44,659	92,988	(106,413)	5,034	36,268
Ukraine	23,412	23,721	(36,577)	-	10,556
National Lottery Community Fund	-	35,203	(35,203)	-	-
Restricted Funds Total	78,683	193,412	(196,369)	5,034	80,760
Total funds	1,702,250	1,063,363	(1,106,003)	-	1,659,610

	Opening Balance 2023 £	Incoming Resources 2023 £	Resources Expended 2023 £	Transfers 2023 £	Closing Balance 2023 £
General Fund	1,665,575	771,040	(813,048)	-	1,623,567
<u>Restricted Funds</u>					
Leadership Development	5,000	-	-	-	5,000
Hardship Fund	3,662	2,475	(525)	-	5,612
Community & Outreach	4,122	95,483	(54,946)	-	44,659
Ukraine	3,886	53,036	(33,510)	-	23,412
Restricted Funds Total	16,670	150,994	(88,981)	-	78,683
Total funds	1,682,245	922,034	(902,029)	-	1,702,250

Name of fund	Description, nature and purposes of the fund
General Fund	The 'free reserves' are after allowing for all designated funds.
<u>Restricted Funds</u>	
Enterprise Projects	Enterprise projects to provide training and work experience for the most socially and economically deprived communities in the Tees Valley area.
Leadership Development	To provide funds for training Church Leaders.
Youth Trips	Events for young people to provide opportunities for them to grow in their faith.
Hardship Fund	To provide assistance to people facing financial difficulties.
Community & Outreach	To provide local projects serving the most socially and economically deprived communities in the Tees Valley area.
Ukraine	To provide resources for the Christian and wider community in Ukraine.
National Lottery Community Fund	Community Organisations Cost of Living Fund

17. Commitments

	£
Lease payments due not later than one year	10,392
Lease payments due within two and five years	10,058
Lease payments due beyond five years	94

18. 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 were due to the fund.