

EMMANUEL CHURCH DURHAM

England & Wales · Charity number 1120286

Details

Status Registered

Legal form Charitable company

Company number [06101946](#)

Registered 2007-07-26

Register [View on the Charity Commission register](#)

Contact

Address The Durham Centre Ltd
Unit 2
Belmont Industrial Estate
Durham
DH1 1TN

Phone 01913845624

Email info@emmanuel.org.uk

Website www.emmanuel.org.uk

Activities

Objects: 3.1 THE ADVANCEMENT OF THE CHRISTIAN FAITH IN ACCORDANCE WITH THE ARTICLES OF FAITH SET OUT IN ARTICLE 34;3.2 THE RELIEF OF PERSONS WHO ARE IN CONDITIONS OF NEED HARDSHIP OR DISTRESS OR WHO ARE AGED OR SICK;3.3 THE ADVANCEMENT OF EDUCATION ON THE BASIS OF CHRISTIAN PRINCIPLES; AND3.4 THE PROMOTION OF SUCH OTHER CHARITABLE PURPOSE AS THE BOARD SHALL FROM TIME TO TIME DETERMINE.

Activities: The advancement of the Christian Faith, the relief of persons who are in a condition of need or hardship, the provision of instruction in the Christian Faith.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- **Area of benefit:** DURHAM ' NOT DEFINED IN PRACTICE'
- Durham

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|----------|-------------|--------|-----------|
| 2025-03-31 | £486,583 | £535,092 | - | - |
| 2024-03-31 | £479,962 | £529,820 | - | - |
| 2023-03-31 | £407,523 | £584,812 | - | - |
| 2022-03-31 | £437,842 | £398,784 | - | - |
| 2021-03-31 | £461,257 | £324,439 | - | - |

Trustees

| Name | Role | Appointed |
|--------------------------|------|-----------|
| GEORGE ALAN BELL | | |
| IAN JAMES PORTWINE | | |
| JENNIFER ELIZABETH BOOTH | | |
| WILLIAM ROBERT BYNG | | |

EMMANUEL CHURCH DURHAM

England & Wales - Charity number 1120286

Accounts

Company Registration number 06101946
Charity Registration number 1120286



EMMANUEL CHURCH DURHAM

(a Company limited by guarantee without Share Capital)

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 March 2025

Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

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EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 March 2025.

Reference and administrative details

| | |
|------------------------------|--|
| Company number: | 06101946 |
| Charity number: | 1120286 |
| Principal address: | The Durham Centre Belmont Industrial Estate Durham DH1 1TN |
| Independent examiner: | John Oswald BA FCA Stephenson Coates Audit Limited Chartered Accountants West 2, Asama Court Newcastle Business Park Newcastle upon Tyne, NE4 7YD |
| Bankers: | CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent, ME19 4JQ Barclays Bank PLC Leicester LE87 2BB |
| Solicitors: | Muckles LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF |

Directors

The following directors of the charitable company (who are its trustees for the purposes of charity law) served during the year and up to the date of approval of this report:

| | |
|--------------|-------------------------------------|
| G A Bell | Executive Chairman and Senior Elder |
| I J Portwine | Executive Director and Elder |
| J E Booth | Non-executive and Treasurer |
| W R Byng | Non-executive lay member |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Structure, governance and management

Governing document

Emmanuel Church Durham is a Company limited by guarantee, governed by its Memorandum and Articles of Association dated 13 February 2007.

The charitable company was incorporated in order to provide a distinct legal entity to carry out the activities of Emmanuel Church Durham which since 1991 had been undertaken through a charitable trust. The company was registered with the Charity Commission on 26 July 2007. On 1 December 2007 the entire assets, liabilities and undertakings of the Emmanuel Church Durham charitable trust were transferred to the charitable company.

There are currently three members, each of whom agree to contribute £1 in the event of the charitable company winding up.

Appointment and retirement of directors

Directors are required to sign a confirmation that they adhere to the articles of faith contained within the company's Memorandum and Articles of Association and that they understand their obligations as directors. Directors serve for a fixed term of two years and are eligible for reappointment.

Directors' induction and training

The Charity Commission website and publications are used to keep the directors up to date with developments in the charitable sector. The necessity for formal training sessions for individual directors is reviewed each year.

Organisation

The charitable company operates primarily in the County Durham area, with links with churches and Christian organisations both in the UK and internationally. Church membership is voluntary and free.

The charitable company is overseen by a board of directors, which consists of the two of the five leaders – Elders - of Emmanuel Church and, currently, two lay members. The Elders of the Church are responsible for the day-to-day running of the charitable company, including the direction of the Church and the pastoral care of the membership. The lay members include the Treasurer and other persons operating in a non-executive capacity.

The board of directors meets at least quarterly, to review the finances, risk management, legal issues and other matters affecting the charitable company. A separate remuneration sub-committee operates consisting of the non-executive directors who do not receive payments from the charitable company to review the financial provision for the two full-time executive directors.

In setting our objectives and planning our activities, the directors have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS

(continued)

Risk management

The board of directors considers the major risks to which the charitable company is exposed and identifies the appropriate mitigation. To this end the charity has taken out employer's liability, public liability and buildings insurance.

A strict child protection policy is implemented; all voluntary helpers who work with children are subject to criminal records bureau checks and must comply with detailed guidelines for the care of children. In order to ensure the safety of the Church members and general public a team of stewards operate during Sunday meetings. A fire evacuation plan has been drawn up.

A system of financial control exists to prevent the loss of the charity's assets through fraud and mismanagement. Financial reports are made at least quarterly to the Board. Our reserves policy is reviewed annually.

Objectives, activities and achievements

The objectives of the charitable company are:-

- a) The advancement of the Christian Faith;
- b) The relief of persons who are in a condition of need or hardship;
- c) The provision of instruction in the Christian Faith.

The vision of the Church is - *To be a growing charismatic family church with a world vision.*

The Church congregation meets on a Sunday at The Emmanuel Centre in Durham City. During University term, attendance is about 220 adults, with about 40 children. The Sunday morning acts as a "shop window" for the other activities of the Church, which take place during the week. As a diverse Church, we cater for people's needs in many ways, principally by having smaller mid-week groups. During the year, we strengthened the senior leadership team with the appointment of a new elder. The activities of Emmanuel Church extend far beyond our regular Sunday morning meetings. The measurement of the success of our activities by the use of financial performance indicators is not wholly appropriate for a charity with these much wider objectives.

The Church employs two full-time and one part-time children's and youth workers to oversee and develop the children's and youth work both in the Church and the local community. The mid-week provision for our groups uses a detached model and has grown during the year. The youth attended NewDay camp in Norfolk, and we also hosted a regional youth & adult gathering in March - Together 24.

Work with University students has continued as they meet at the HUB, a student and 20's Sunday evening meeting based in a city centre location. A recent change of venue has catalysed new growth and given a better setting. There has also been more intentionality in blending the student community with the local one by having mixed mid-week Emmanuel Communities. This has created a great community feel for this group, and we have also seen a significant increase in diversity. We employ one full-time person to support and develop this work.

We are now settled into our new building The Emmanuel Centre. Unfortunately, we were unable to achieve any financial redress regarding a design fault in the heating system. The new building offers more space and great quality PA & AV provision. During the year many activities have been hosted there outside of the Sunday morning. During the summer, volunteers helped to improve the foyer and toilets.

Connections with the community have continued to be strengthened with our Make Lunch initiative, detached youth work, and supporting the Christian Unions of local schools. Our annual Christmas FunDay was able to go up a gear this year, as we used both venues to meet the increased demand.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Financial review

We continue to be very grateful for the strength of our voluntary income, both regular giving and giving for specific purposes. Trading at our subsidiary, The Durham Centre Limited, continued at a good level.

Our cash flow in the year was strong; we continue to repay our bank loans and cash holdings increased. We have a high (non-cash) depreciation charge in excess of £100,000, arising mainly on our buildings; this accounting charge is a major factor in us reporting a deficit for the year on unrestricted funds.

Investment policy

As the guaranteed unrestricted funds are minimal, there is little opportunity for investment. The directors have considered the most appropriate policy for investing cash resources and have decided that bank deposits meet their requirements of a reasonable rate of return, without significant capital risk, and with predictable accessibility to the funds. We review this policy regularly.

Reserves policy

It remains the directors' policy to maintain free reserves of between six to twelve months fixed committed expenditure. Free reserves at 31 March 2025 were £255,950 (2024: £242,369). The directors are satisfied that this provides a reasonable level of reserves to hold for our ongoing activities, including trading activities at The Durham Centre, and for our development commitments.

Plans for future periods

We continue to be motivated by our vision statement of being "A growing charismatic family church with a world vision". We also anticipate that our growing relationship with Regions Beyond will lead to more opportunities to serve nations around the world. We have also started connecting more strongly to RB leaders in the UK who are assisting us in developing our future vision.

Raising funds to be able to develop the second phase of TEC which will give a foyer, toilets, kitchen and meeting rooms will be ongoing.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Statement of the directors' responsibilities in relation to the financial statements

The directors are responsible for preparing the Directors' 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 14 December 2025 and signed on their behalf by:



G A Bell
Chair

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS ON THE UNAUDITED
FINANCIAL STATEMENTS OF EMMANUEL CHURCH DURHAM**

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 March 2025, which are set out on pages 7 to 18.

Responsibilities and basis of report

As the charity's trustees of the company (and its directors 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 your 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 report

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales.

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 accounting 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 to enable a proper understanding of the accounts to be reached.



John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

14 December 2025

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2025

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2025 £ | Total 2024 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| INCOME FROM: | | | | | |
| Giving | 2 | 464,835 | 1,341 | 466,176 | 435,368 |
| Charitable activities | | | | | |
| Bible weeks, weekends away and events | | 8,514 | 275 | 8,789 | 3,052 |
| Other trading activities | | | | | |
| The Durham Centre – covenanted donation | 16 | 9,500 | - | 9,500 | 40,000 |
| Investments | 3 | 2,118 | - | 2,118 | 1,542 |
| | | _____ | _____ | _____ | _____ |
| Total | | 484,967 | 1,616 | 486,583 | 479,962 |
| | | ===== | ===== | ===== | ===== |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 4 | 532,808 | 2,284 | 535,092 | 529,820 |
| | | _____ | _____ | _____ | _____ |
| Total | | 532,808 | 2,284 | 535,092 | 529,820 |
| | | ===== | ===== | ===== | ===== |
| NET (EXPENDITURE)/INCOME | 5-7 | (47,841) | (668) | (48,509) | (49,858) |
| Gross transfers between funds | | - | - | - | - |
| NET MOVEMENT IN FUNDS | | (47,841) | (668) | (48,509) | (49,858) |
| Total funds brought forward | | 1,648,451 | 3,335 | 1,651,786 | 1,701,644 |
| | | _____ | _____ | _____ | _____ |
| Total funds carried forward | 14/15 | 1,600,610 | 2,667 | 1,603,277 | 1,651,789 |
| | | ===== | ===== | ===== | ===== |

The charitable company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the charitable company are classed as continuing.

The notes on pages 11 to 18 form part of these financial statements.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

BALANCE SHEET

AT 31 MARCH 2025

| | Note | 2025 | | 2024 | |
|---|-------|----------------|------------------|----------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 8 | | 2,107,888 | | 2,195,373 |
| Investments | 9 | | <u> 7</u> | | <u> 7</u> |
| | | | 2,107,895 | | 2,195,380 |
| Current assets | | | | | |
| Debtors | 10 | 96,667 | | 131,256 | |
| Cash and bank and in hand | 11 | <u>179,333</u> | | <u>138,158</u> | |
| | | | 276,000 | | 269,414 |
| Creditors: amounts falling due within one year | 12 | | <u>(45,048)</u> | | <u>(46,818)</u> |
| Net current assets | | | <u>230,952</u> | | <u>222,596</u> |
| Total assets less current liabilities | | | 2,338,847 | | 2,417,976 |
| Creditors: amounts falling after one year | 13 | | <u>(735,570)</u> | | <u>(766,190)</u> |
| Net assets | | | <u>1,603,277</u> | | <u>1,651,786</u> |
| Funds | | | | | |
| Unrestricted | 14/15 | | 1,600,610 | | 1,648,451 |
| Restricted | 14/15 | | 2,667 | | 3,335 |
| Total funds | | | <u>1,603,277</u> | | <u>1,651,786</u> |

The Balance Sheet continues on the following page.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

BALANCE SHEET (continued)

**Directors' statements required by the Companies Act 2006
for the year ended 31 March 2025**

In approving these financial statements as directors of the company we hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006;
- (b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 March 2025.
- (c) that we acknowledge our responsibilities for:
 - (1) ensuring that the company keeps adequate accounting records which comply with section 386 of the Companies Act 2006, and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved and authorised for issue by the directors on 14 December 2025:

G.A. Bell



I.J. Portwine



J. Booth



W. Byng



Company registration no. 06101946

The notes on pages 11 to 18 form part of these financial statements.

EMMANUEL CHURCH DURHAM
(a company limited by guarantee without share capital)

CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2025

| | 2025 | | 2024 | |
|---|----------------|----------------|----------------|-----------------|
| | £ | £ | £ | £ |
| Reconciliation of net income to net cash flows from operating activities | | | | |
| Net income for year | (48,509) | | (49,858) | |
| Investment income | (2,118) | | (1,542) | |
| Depreciation | 104,321 | | 93,460 | |
| Loss on disposal of fixed assets | - | | - | |
| Movement in debtors | 34,589 | | 6,656 | |
| Movement in creditors | <u>(6,327)</u> | | <u>(7,112)</u> | |
| Net cash inflow from operating activities | | 81,956 | | 41,604 |
| Cash flows from investing activities | | | | |
| Purchases of tangible fixed assets | (16,836) | | (48,827) | |
| Investment income | <u>2,118</u> | | <u>1,542</u> | |
| Net cash flows from investing activities | | (14,718) | | (47,285) |
| Cash flows from financing activities | | | | |
| Repayments of bank loan | (26,063) | | (25,522) | |
| Additional bank loans received | <u>-</u> | | <u>-</u> | |
| Net cash flow from financing activities | | (26,063) | | (25,522) |
| Net increase/(decrease) in cash and cash equivalents | | <u>41,175</u> | | <u>(31,203)</u> |
| Cash and cash equivalents at start of year | | 138,158 | | 169,361 |
| Cash and cash equivalents at end of year | | <u>179,333</u> | | <u>138,158</u> |

The reconciliation of net debt arising in the year is set out in note 17.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements of the charitable company have been prepared under the historical cost convention and in accordance with the 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), the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice applicable to smaller entities. The charitable company constitutes a public benefit entity as defined by FRS102.

The charitable company has taken the option under section 398 of the Companies Act 2006 and the Charities Act 2011 (Group Accounts) Regulations 2015 not to prepare consolidated financial statements.

The financial accounts are prepared in Sterling (£) which is the functional currency of the charitable company.

1.2 Going concern

The directors of the charitable company are satisfied that there are no material uncertainties concerning the charitable company's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.3 Fund accounting

Unrestricted funds are those available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are those that are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the charity for particular purposes. Designated funds are earmarked by the directors for particular purposes.

1.4 Income

Giving - Collections are recognised when received by or on behalf of the Church. Planned giving under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies are accounted for as soon as the Church is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the Church is certain. Covenanted donations from The Durham Centre are recognised on an accruals basis.

Investment income – Interest entitlements are accounted for as they accrue.

Grants - Government Grants that compensate the charitable company for expenses incurred are recognised in the statement of financial affairs on a systematic basis in the same period in which the expenses are incurred.

1.5 Expenditure

Charitable activities – The cost of charitable activities represents the cost of undertaking the charity's objectives. All expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Value added tax is not recoverable by the charitable company and as such it is included in the relevant costs in the Statement of Financial Activities.

EMMANUEL CHURCH DURHAM
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|----------------------------------|--------------------------------|
| Fixtures, fittings and equipment | 25% per annum reducing balance |
| Freehold property | over 20 years |
| Leasehold property | over the term of the lease |

1.7 Impairment of fixed assets

Properties, fixtures, fittings and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in the Statement of Financial Activities.

1.8 Debtors and creditors due within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses from impairment are recognised in expenditure.

1.9 Concessionary loans received

The charity initially recognises and measures concessionary loans at the amount received. The carrying amount is adjusted in subsequent years to reflect repayments and any accrued interest.

1.10 Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

1.11 Defined contribution plans

The charitable company operates a defined contribution pension scheme for its staff. The scheme and its assets are held by independent managers. The pension cost charge in the financial statements represents contributions due from the charity for the year.

1.12 Voluntary assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(continued)

| | | | | |
|--|-------------------------------|-----------------------------|-----------------------|-----------------------|
| 2. Income from giving | Unrestricted funds | Restricted funds | Total 2025 | Total 2024 |
| | £ | £ | £ | £ |
| Building fund | - | 941 | 941 | 3,405 |
| Tithes | 309,434 | - | 309,434 | 292,476 |
| Offerings and gifts | 80,985 | 165 | 81,150 | 68,589 |
| Gift aid recoverable | 74,416 | 235 | 74,651 | 70,898 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 464,835 | 1,341 | 466,176 | 435,368 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| 3. Investment income | £ | £ | £ | £ |
| Interest on cash deposits | 2,118 | - | 2,118 | 1,542 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 2,118 | - | 2,118 | 1,542 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| 4. Charitable activities | £ | £ | £ | £ |
| Gifts (below) | 27,270 | - | 27,270 | 35,736 |
| Global reach | 4,348 | - | 4,348 | - |
| Ministry fees and expenses (note 6) | 109,346 | - | 109,346 | 109,991 |
| Activities expenditure | 147,731 | 1,004 | 148,735 | 127,722 |
| Administration, including computer costs | 29,483 | - | 29,483 | 15,977 |
| Insurance | 3,269 | - | 3,269 | 3,256 |
| Rates | 3,272 | - | 3,272 | 3,522 |
| Utilities | 14,657 | - | 14,657 | 19,394 |
| Bank charges | 2,365 | 104 | 2,469 | 2,280 |
| Depreciation | 104,321 | - | 104,321 | 93,460 |
| Repairs and maintenance | 15,358 | - | 15,358 | 5,908 |
| Legal and professional | 4,150 | - | 4,150 | 5,011 |
| Independent examiner's fees | 2,785 | - | 2,785 | 2,580 |
| Loan interest | 62,149 | - | 62,149 | 62,934 |
| Building project costs | 2,304 | 1,176 | 3,480 | 42,049 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 532,808 | 2,284 | 535,092 | 529,820 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| Gifts comprise: | | | 2025 | 2024 |
| | | | £ | £ |
| India giving | | | 1,945 | 3,250 |
| Regions Beyond UK (note 6) | | | 12,100 | 13,700 |
| Ministry | | | 10,495 | 16,168 |
| Needy | | | 1,950 | 442 |
| Other | | | 780 | 2,176 |
| | | | <hr/> | <hr/> |
| | | | 27,270 | 35,736 |
| | | | <hr/> <hr/> | <hr/> <hr/> |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(continued)

5. Staff costs

Staff costs were as follows:

| | Total | Total |
|-----------------------|--------------|--------------|
| | 2025 | 2024 |
| | £ | £ |
| Salaries and wages | 136,426 | 120,450 |
| Social security costs | 7,012 | 5,509 |
| Pension costs | <u>4,227</u> | <u>3,046</u> |
| | 147,665 | 129,005 |
| | <u>=====</u> | <u>=====</u> |

No employee received emoluments above £60,000 pa. in the year. The average number of staff employed by the charity, including directors, during the year was 8 (2024: 7).

6. Directors' remuneration, related party transactions and key management personnel

Two of the directors are engaged in Ministry and in accordance with the charitable company's constitution, Ministry fees and salaries were paid to them during the year.

Ministry fees, salaries and expenses for the year were:

| | G A Bell | I J Portwine |
|-------------------|-----------------|---------------------|
| | £ | £ |
| Ministry fees | 39,244 | - |
| Ministry salaries | - | 46,183 |
| Wife's support | 3,666 | 6,968 |
| Expenses | <u>8,858</u> | <u>3,860</u> |
| | <u>=====</u> | <u>=====</u> |

I J Portwine is also a director of Regions Beyond UK (note 4).

Key management personnel are considered to comprise the directors and elders.

7. Net income for the year

Net income is stated after charging:

| | Total | Total |
|-----------------------------|--------------|--------------|
| | 2025 | 2024 |
| | £ | £ |
| Depreciation | 104,321 | 93,460 |
| Independent examiner's fees | <u>2,785</u> | <u>2,580</u> |
| | <u>=====</u> | <u>=====</u> |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(continued)

8. Tangible fixed assets

| | Freehold property | Leasehold property | Fixtures & fittings | Total |
|-------------------------|------------------------------|-------------------------------|------------------------------------|------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2024 | 2,715,853 | 249,014 | 231,543 | 3,196,410 |
| Additions | 16,562 | - | 274 | 16,836 |
| Disposals | - | - | - | - |
| At 31 March 2025 | <u>2,732,415</u> | <u>249,014</u> | <u>231,817</u> | <u>3,213,246</u> |
| Depreciation | | | | |
| At 1 April 2024 | 827,805 | 16,602 | 156,630 | 1,001,037 |
| Charge for the year | 82,826 | 2,767 | 18,728 | 104,321 |
| Elimination on disposal | - | - | - | - |
| At 31 March 2025 | <u>910,631</u> | <u>19,369</u> | <u>175,358</u> | <u>1,105,358</u> |
| Net book amount | | | | |
| At 31 March 2025 | <u>1,821,784</u> | <u>229,645</u> | <u>56,459</u> | <u>2,107,888</u> |
| At 31 March 2024 | <u>1,888,048</u> | <u>232,412</u> | <u>74,913</u> | <u>2,195,373</u> |

All assets are held to further the main objects of the charity.

9. Investments

The charitable company owns all of the seven issued shares of The Durham Centre Limited, a company registered in England; the company provides a range of flexible, modern, well-resourced meeting solutions. Further details of the subsidiary undertaking's results for the year are outlined in note 16.

10. Debtors

| | 2025 | 2024 |
|---------------------------------------|---------------|----------------|
| | £ | £ |
| Accounts receivable | - | - |
| Gift aid recoverable | 71,360 | 68,247 |
| Other debtors | 3,698 | 4,709 |
| Prepayments and accrued income | 5,887 | 7,665 |
| Amount owed by subsidiary undertaking | <u>15,722</u> | <u>50,635</u> |
| | <u>96,667</u> | <u>131,256</u> |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(continued)

11. Cash at bank and in hand

| | 2025 | 2024 |
|-----------------------|--------------------------|--------------------------|
| | £ | £ |
| Bank deposit accounts | 1,641 | 1,631 |
| Bank current accounts | 177,273 | 136,108 |
| Cash in hand | <u>419</u> | <u>419</u> |
| | 179,333 | 138,158 |
| | <u><u> </u></u> | <u><u> </u></u> |

12. Creditors: amounts falling due within one year

| | £ | £ |
|---------------------------------------|--------------------------|--------------------------|
| Bank loans (secured) | 27,665 | 23,108 |
| Trade creditors | 3,308 | 12,596 |
| Other taxes and social security costs | 3,259 | 2,297 |
| Accruals and deferred income | 9,781 | 6,877 |
| Other creditors | <u>1,035</u> | <u>1,940</u> |
| | 45,048 | 46,818 |
| | <u><u> </u></u> | <u><u> </u></u> |

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

| | £ | £ |
|----------------------|--------------------------|--------------------------|
| Bank loans (secured) | 735,570 | 766,190 |
| Other creditors | <u>-</u> | <u>-</u> |
| | 735,570 | 766,190 |
| | <u><u> </u></u> | <u><u> </u></u> |

The main bank loan is fully secured on the freehold and leasehold properties. It is repayable by instalments expiring in 2041. The amount due at 31 March 2025 is analysed as follows:

| | £ |
|------------------------------|--------------------------|
| Within one year | 19,605 |
| between one and two years | 19,605 |
| between three and five years | 58,817 |
| after more than five years | <u>640,205</u> |
| | <u><u> </u></u> |

The charitable company took out a Government backed bounce back loan of £50,000 in 2021; which is repayable in equal instalments over 10 years.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(continued)

14. Fund movements

| | Balance at 1 April 2023 | Incoming resources | Outgoing resources | Transfers | Balance at 31 March 2024 |
|---------------------|--|-------------------------------|-------------------------------|------------------|---|
| | £ | £ | £ | £ | £ |
| Unrestricted | | | | | |
| General | 1,648,451 | 484,967 | (532,808) | - | 1,600,610 |
| Restricted | | | | | |
| Building fund | - | 1,176 | (1,176) | - | - |
| Children's work | - | 165 | (165) | - | - |
| Beyond Ourselves | <u>3,335</u> | <u>275</u> | <u>(943)</u> | <u>-</u> | <u>2,667</u> |
| | <u>1,651,786</u> | <u>486,583</u> | <u>(535,092)</u> | <u>-</u> | <u>1,603,277</u> |
| | <u><u>1,651,786</u></u> | <u><u>486,583</u></u> | <u><u>(535,092)</u></u> | <u><u>-</u></u> | <u><u>1,603,277</u></u> |
| | | | | | |
| | Balance at 1 April 2023 | Incoming resources | Outgoing resources | Transfers | Balance at 31 March 2024 |
| | £ | £ | £ | £ | £ |
| Unrestricted | | | | | |
| General | 1,700,505 | 472,490 | (524,544) | - | 1,648,451 |
| Restricted | | | | | |
| Building fund | - | 4,255 | (4,255) | - | - |
| Children's work | - | 165 | (165) | - | - |
| Beyond Ourselves | <u>1,139</u> | <u>3,052</u> | <u>(856)</u> | <u>-</u> | <u>3,335</u> |
| | <u>1,701,644</u> | <u>479,962</u> | <u>(529,820)</u> | <u>-</u> | <u>1,651,786</u> |
| | <u><u>1,701,644</u></u> | <u><u>479,962</u></u> | <u><u>(529,820)</u></u> | <u><u>-</u></u> | <u><u>1,651,786</u></u> |

The General reserve represents the free funds of the charity which are not designated for particular purposes.

The Building fund is restricted to the development of the Durham site.

The Children's work fund is restricted to work with children in the Church and the local community.

Beyond Ourselves is a fund which is restricted for use in home and overseas missionary and relief work. This includes relief to individuals with debt management issues.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(continued)

| | | | | |
|-----------------------------------|-----------------------------|-----------------------------------|--|-----------------------------|
| 15. Analysis of net assets | Fixed assets | Net current assets | Creditors due over one year | Total 2024 |
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General | 2,107,895 | 228,285 | (735,570) | 1,600,610 |
| Restricted funds | | | | |
| Beyond Ourselves | - | 2,667 | - | 2,667 |
| | 2,107,895 | 230,952 | (735,570) | 1,603,277 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| 16. Subsidiary undertaking | | | | |

The Durham Centre Limited traded during the year providing a range of flexible, modern, well-resourced meeting solutions. Trading continued to be strong in the year and a net profit of £9,310 arose. £9,500 has been paid to Emmanuel Church Durham by way of deed of covenant.

17. Reconciliation of net debt

| | 31 March 2024 | Cash flows | Non cash movements | 31 March 2025 |
|--------------------------------|-----------------------------|-----------------------------|-------------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Cash and cash equivalents | 138,158 | 41,175 | 0 | 179,333 |
| Bank loans due within one year | -23,108 | 26,063 | -30,620 | -27,665 |
| Bank loans due over one year | -766,190 | - | 30,620 | -735,570 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Net debt | -651,140 | 67,238 | 0 | -583,902 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

EMMANUEL CHURCH DURHAM

England & Wales - Charity number 1120286

Accounts

Company Registration number 06101946
Charity Registration number 1120286



EMMANUEL CHURCH DURHAM

(a Company limited by guarantee without Share Capital)

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 March 2024

Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

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EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 March 2024.

Reference and administrative details

Company number: 06101946

Charity number: 1120286

Principal address: The Durham Centre
Belmont Industrial Estate
Durham
DH1 1TN

Independent examiner: John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne, NE4 7YD

Bankers: CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent, ME19 4JQ

Barclays Bank PLC
Leicester
LE87 2BB

Solicitors: Muckles LLP
Time Central
32 Gallowgate
Newcastle upon Tyne NE1 4BF

Directors

The following directors of the charitable company (who are its trustees for the purposes of charity law) served during the year and up to the date of approval of this report:

| | |
|--------------|-------------------------------------|
| G A Bell | Executive Chairman and Senior Elder |
| I J Portwine | Executive Director and Elder |
| J E Booth | Non-executive and Treasurer |
| W R Byng | Non-executive lay member |

Company secretary: A J Biggs

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Structure, governance and management

Governing document

Emmanuel Church Durham is a Company limited by guarantee, governed by its Memorandum and Articles of Association dated 13 February 2007.

The charitable company was incorporated in order to provide a distinct legal entity to carry out the activities of Emmanuel Church Durham which since 1991 had been undertaken through a charitable trust. The company was registered with the Charity Commission on 26 July 2007. On 1 December 2007 the entire assets, liabilities and undertakings of the Emmanuel Church Durham charitable trust were transferred to the charitable company.

There are currently three members, each of whom agree to contribute £1 in the event of the charitable company winding up.

Appointment and retirement of directors

Directors are required to sign a confirmation that they adhere to the articles of faith contained within the company's Memorandum and Articles of Association and that they understand their obligations as directors. Directors serve for a fixed term of two years and are eligible for reappointment.

Directors' induction and training

The Charity Commission website and publications are used to keep the directors up to date with developments in the charitable sector. The necessity for formal training sessions for individual directors is reviewed each year.

Organisation

The charitable company operates primarily in the County Durham area, with links with churches and Christian organisations both in the UK and internationally. Church membership is voluntary and free.

The charitable company is overseen by a board of directors, which consists of the two of the five leaders – Elders - of Emmanuel Church and, currently, two lay members. The Elders of the Church are responsible for the day-to-day running of the charitable company, including the direction of the Church and the pastoral care of the membership. The lay members include the Treasurer and other persons operating in a non-executive capacity.

The board of directors meets at least quarterly, to review the finances, risk management, legal issues and other matters affecting the charitable company. A separate remuneration sub-committee operates consisting of the non-executive directors who do not receive payments from the charitable company to review the financial provision for the two full-time executive directors.

In setting our objectives and planning our activities, the directors have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS

(continued)

Risk management

The board of directors considers the major risks to which the charitable company is exposed and identifies the appropriate mitigation. To this end the charity has taken out employer's liability, public liability and buildings insurance.

A strict child protection policy is implemented; all voluntary helpers who work with children are subject to criminal records bureau checks and must comply with detailed guidelines for the care of children. In order to ensure the safety of the Church members and general public a team of stewards operate during Sunday meetings. A fire evacuation plan has been drawn up.

A system of financial control exists to prevent the loss of the charity's assets through fraud and mismanagement. Financial reports are made at least quarterly to the Board. Our reserves policy is reviewed annually.

Objectives, activities and achievements

The objectives of the charitable company are:-

- a) The advancement of the Christian Faith;
- b) The relief of persons who are in a condition of need or hardship;
- c) The provision of instruction in the Christian Faith.

The vision of the Church is - *To be a growing charismatic family church with a world vision.*

The Church congregation meets on a Sunday at The Emmanuel Centre in Durham City. During University term time attendance is about 200 adults, with about 50 children.

The Church employs two full-time and one part-time children's and youth workers to oversee and develop the children's and youth work both in the Church and the local community. The mid-week provision for our groups uses a detached model and has grown during the year. The youth also enjoyed attending the first national NewDay camp in Norfolk.

Work with University students has continued as they meet at the HUB, a student and 20's Sunday evening meeting based in a city centre location.

In May 2023 we were finally able to move our main Church meeting into The Emmanuel Centre (TEC), our new building with a capacity for 500 seats. We invited our founding leader, a Canadian, to preach that morning. Redress is being sought regarding a design fault in the heating system. The new building offers more space and great quality PA & AV provision. During the year many activities have been hosted there outside of the Sunday morning. The next phase of development is to be the foyer toilets and ancillary rooms.

Connections with the community have continued to be strengthened with our Make Lunch initiative, detached youth work, and supporting the Christian Unions of local schools.

Our Emmanuel Global Reach (EGR) initiative has assisted us in our outreach to the nations. Several training conferences have been delivered. This year we were able to send teams to Bulgaria & Mexico. There has also been support to a church family relocating to Kenya for a season, and two of our recent graduates as they develop a ministry. Several prayer initiatives for specific areas of the world regularly meet. We continue to see an increasing diversity within our gathered community.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Financial review

We continue to be very grateful for the strength of our voluntary income, both regular giving and giving for specific purposes. Distributions from our trading subsidiary, The Durham Centre Limited, recommenced in the year following the pandemic restrictions to its operations.

The Emmanuel Centre came into operation at the start of the year. Generally Accepted Accounting Practice requires us to depreciate this asset. The additional depreciation charge of £24,147 together with increased interest costs on our bank borrowings are the principal reasons for the reported deficit in the year on unrestricted funds of £52,054.

Investment policy

As the guaranteed unrestricted funds are minimal, there is little opportunity for investment. The directors have considered the most appropriate policy for investing cash resources and have decided that bank deposits meet their requirements of a reasonable rate of return, without significant capital risk, and with predictable accessibility to the funds. We review this policy regularly.

Reserves policy

It remains the directors' policy to maintain free reserves of between six to twelve months fixed committed expenditure. Free reserves at 31 March 2024 were £242,369 (2023: £275,312). The directors are satisfied that this provides a reasonable level of reserves to hold for our ongoing activities, including trading activities at The Durham Centre, and for our development commitments.

Plans for future periods

We continue to be motivated by our vision statement of being "A growing charismatic family church with a world vision". We also anticipate that our growing relationship with Regions Beyond will lead to more opportunities to serve nations around the world.

Raising funds to be able to develop the second phase of TEC which will give a foyer, toilets, kitchen and meeting rooms will be ongoing.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Statement of the directors' responsibilities in relation to the financial statements

The directors are responsible for preparing the Directors' 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 19 January 2025 and signed on their behalf by:

G A Bell
Chair

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS ON THE UNAUDITED
FINANCIAL STATEMENTS OF EMMANUEL CHURCH DURHAM**

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 March 2024, which are set out on pages 7 to 18.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors 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 your 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 report

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales.

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 accounting 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.

**John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD**

19 January 2025

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2024

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2024 £ | Total 2023 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| INCOME FROM: | | | | | |
| Giving | 2 | 430,948 | 4,420 | 435,368 | 401,895 |
| Charitable activities | | | | | |
| Bible weeks, weekends away and events | | - | 3,052 | 3,052 | 5,082 |
| Other trading activities | | | | | |
| The Durham Centre – covenanted donation | 16 | 40,000 | - | 40,000 | - |
| Investments | 3 | 1,542 | - | 1,542 | 546 |
| | | _____ | _____ | _____ | _____ |
| Total | | 472,490 | 7,472 | 479,962 | 407,523 |
| | | _____ | _____ | _____ | _____ |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 4 | 524,544 | 5,276 | 529,820 | 584,812 |
| | | _____ | _____ | _____ | _____ |
| Total | | 524,544 | 5,276 | 529,820 | 584,812 |
| | | _____ | _____ | _____ | _____ |
| NET (EXPENDITURE)/INCOME | 5-7 | (52,054) | 2,196 | (49,858) | (177,289) |
| Gross transfers between funds | | _____ - | _____ - | _____ - | _____ - |
| NET MOVEMENT IN FUNDS | | (52,054) | 2,196 | (49,858) | (177,289) |
| Total funds brought forward | | 1,700,505 | 1,139 | 1,701,644 | 1,878,933 |
| | | _____ | _____ | _____ | _____ |
| Total funds carried forward | 14/15 | 1,648,451 | 3,335 | 1,651,786 | 1,701,644 |
| | | _____ | _____ | _____ | _____ |

The charitable company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the charitable company are classed as continuing.

The notes on pages 11 to 18 form part of these financial statements.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

BALANCE SHEET

AT 31 MARCH 2024

| | Note | 2024 | | 2023 | |
|---|--------------|---------|------------------|---------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 8 | | 2,195,373 | | 2,240,006 |
| Investments | 9 | | <u> 7</u> | | <u> 7</u> |
| | | | 2,195,380 | | 2,240,013 |
| Current assets | | | | | |
| Debtors | 10 | 131,256 | | 137,912 | |
| Cash and bank and in hand | 11 | | <u>138,158</u> | | <u>169,361</u> |
| | | | 269,414 | | 307,273 |
| Creditors: amounts falling due within one year | 12 | | <u>(46,818)</u> | | <u>(59,405)</u> |
| Net current assets | | | <u>222,596</u> | | <u>247,868</u> |
| Total assets less current liabilities | | | 2,417,976 | | 2,487,881 |
| Creditors: amounts falling after one year | 13 | | (766,190) | | (786,237) |
| Net assets | | | <u>1,651,786</u> | | <u>1,701,644</u> |
| Funds | | | | | |
| Unrestricted | 14/15 | | 1,648,451 | | 1,700,505 |
| Restricted | 14/15 | | 3,335 | | 1,139 |
| Total funds | | | <u>1,651,786</u> | | <u>1,701,644</u> |

The Balance Sheet continues on the following page.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

BALANCE SHEET (continued)

**Directors' statements required by the Companies Act 2006
for the year ended 31 March 2024**

In approving these financial statements as directors of the company we hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006;
- (b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 March 2024.
- (c) that we acknowledge our responsibilities for:
 - (1) ensuring that the company keeps adequate accounting records which comply with section 386 of the Companies Act 2006, and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved and authorised for issue by the directors on 19 January 2025:

G.A. Bell

J. Booth

I.J. Portwine

W. Byng

Company registration no. 06101946

The notes on pages 11 to 18 form part of these financial statements.

EMMANUEL CHURCH DURHAM
(a company limited by guarantee without share capital)

CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2024

| | 2024 | | 2023 | |
|---|----------------|------------------------|----------------|-------------------------|
| | £ | £ | £ | £ |
| Reconciliation of net income to net cash flows from operating activities | | | | |
| Net income for year | (49,858) | | (177,289) | |
| Investment income | (1,542) | | (546) | |
| Depreciation | 93,460 | | 71,086 | |
| Loss on disposal of fixed assets | - | | - | |
| Movement in debtors | 6,656 | | 15,684 | |
| Movement in creditors | <u>(7,112)</u> | | <u>(4,410)</u> | |
| Net cash inflow/(outflow) from operating activities | | 41,604 | | (95,475) |
| Cash flows from investing activities | | | | |
| Purchases of tangible fixed assets | (48,827) | | (3,378) | |
| Investment income | <u>1,542</u> | | <u>546</u> | |
| Net cash flows from investing activities | | (47,285) | | (2,832) |
| Cash flows from financing activities | | | | |
| Repayments of bank loan | (25,522) | | (28,211) | |
| Additional bank loans received | <u>-</u> | | <u>-</u> | |
| Net cash flow from financing activities | | (25,522) | | (28,211) |
| Net decrease) in cash and cash equivalents | | <u>(31,203)</u> | | <u>(126,518)</u> |
| Cash and cash equivalents at start of year | | 169,361 | | 295,879 |
| Cash and cash equivalents at end of year | | <u>138,158</u> | | <u>169,361</u> |

The reconciliation of net debt arising in the year is set out in note 17.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements of the charitable company have been prepared under the historical cost convention and in accordance with the 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), the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice applicable to smaller entities. The charitable company constitutes a public benefit entity as defined by FRS102.

The charitable company has taken the option under section 398 of the Companies Act 2006 and the Charities Act 2011 (Group Accounts) Regulations 2015 not to prepare consolidated financial statements.

The financial accounts are prepared in Sterling (£) which is the functional currency of the charitable company.

1.2 Going concern

The directors of the charitable company are satisfied that there are no material uncertainties concerning the charitable company's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.3 Fund accounting

Unrestricted funds are those available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are those that are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the charity for particular purposes. Designated funds are earmarked by the directors for particular purposes.

1.4 Income

Giving - Collections are recognised when received by or on behalf of the Church. Planned giving under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies are accounted for as soon as the Church is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the Church is certain. Covenanted donations from The Durham Centre are recognised on an accruals basis.

Investment income – Interest entitlements are accounted for as they accrue.

Grants - Government Grants that compensate the charitable company for expenses incurred are recognised in the statement of financial affairs on a systematic basis in the same period in which the expenses are incurred.

1.5 Expenditure

Charitable activities – The cost of charitable activities represents the cost of undertaking the charity's objectives. All expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Value added tax is not recoverable by the charitable company and as such it is included in the relevant costs in the Statement of Financial Activities.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|----------------------------------|--------------------------------|
| Fixtures, fittings and equipment | 25% per annum reducing balance |
| Freehold property | over 20 years |
| Leasehold property | over the term of the lease |

1.7 Impairment of fixed assets

Properties, fixtures, fittings and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in the Statement of Financial Activities.

1.8 Debtors and creditors due within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses from impairment are recognised in expenditure.

1.9 Concessionary loans received

The charity initially recognises and measures concessionary loans at the amount received. The carrying amount is adjusted in subsequent years to reflect repayments and any accrued interest.

1.10 Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

1.11 Defined contribution plans

The charitable company operates a defined contribution pension scheme for its staff. The scheme and its assets are held by independent managers. The pension cost charge in the financial statements represents contributions due from the charity for the year.

1.12 Voluntary assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(continued)

2. Income from giving

| | Unrestricted funds £ | Restricted funds £ | Total 2024 £ | Total 2023 £ |
|----------------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Building fund | - | 3,405 | 3,405 | 14,115 |
| Tithes | 292,476 | - | 292,476 | 258,996 |
| Offerings and gifts | 68,424 | 165 | 68,589 | 63,260 |
| Gift aid recoverable | 70,048 | 850 | 70,898 | 65,524 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 430,948 | 4,420 | 435,368 | 401,895 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

3. Investment income

| | £ | £ | £ | £ |
|---------------------------|-------------|-------------|-------------|-------------|
| Interest on cash deposits | 1,542 | - | 1,542 | 546 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 1,542 | - | 1,542 | 546 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

4. Charitable activities

| | £ | £ | £ | £ |
|-------------------------------------|-------------|-------------|-------------|-------------|
| Gifts (below) | 35,736 | - | 35,736 | 33,327 |
| Global reach | - | - | - | 7,203 |
| Ministry fees and expenses (note 6) | 109,991 | - | 109,991 | 107,614 |
| Activities expenditure | 126,806 | 916 | 127,722 | 112,631 |
| Office administration | 15,977 | - | 15,977 | 8,421 |
| Insurance | 3,256 | - | 3,256 | 4,837 |
| Rates | 3,522 | - | 3,522 | 2,320 |
| Utilities | 19,394 | - | 19,394 | 14,398 |
| Bank charges | 2,175 | 105 | 2,280 | 2,297 |
| Depreciation | 93,460 | - | 93,460 | 71,086 |
| Repairs and maintenance | 5,908 | - | 5,908 | 12,823 |
| Legal and professional | 5,011 | - | 5,011 | 2,810 |
| Independent examiner's fees | 2,580 | - | 2,580 | 2,460 |
| Loan interest | 62,934 | - | 62,934 | 44,618 |
| Building project costs | 37,794 | 4,255 | 42,049 | 157,967 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 524,544 | 5,276 | 529,820 | 584,812 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Gifts comprise:

| | 2024 £ | 2023 £ |
|----------------------------|-------------------|-------------------|
| India giving | 3,250 | 250 |
| Regions Beyond UK (note 6) | 13,700 | 15,450 |
| Ministry | 16,168 | 10,427 |
| Needy | 442 | 7,000 |
| Other | 2,176 | 200 |
| | <hr/> | <hr/> |
| | 35,736 | 33,327 |
| | <hr/> <hr/> | <hr/> <hr/> |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(continued)

5. Staff costs

Staff costs were as follows:

| | Total 2024 | Total 2023 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Salaries and wages | 120,450 | 110,511 |
| Social security costs | 5,509 | 4,146 |
| Pension costs | <u>3,046</u> | <u>2,993</u> |
| | <u>129,005</u> | <u>117,650</u> |

No employee received emoluments above £60,000 p.a. in the year. The average number of staff employed by the charity during the year was 7 (2023: 7).

6. Directors' remuneration, related party transactions and key management personnel

Two of the directors are engaged in Ministry and in accordance with the charitable company's constitution, Ministry fees and salaries were paid to them during the year.

Ministry fees, salaries and expenses for the year were:

| | G A Bell | I J Portwine |
|-------------------|-----------------|---------------------|
| | £ | £ |
| Ministry fees | 41,265 | - |
| Ministry salaries | - | 42,832 |
| Wife's support | 3,940 | 6,682 |
| Expenses | <u>10,124</u> | <u>3,762</u> |

I J Portwine is also a director of Regions Beyond UK (note 4).

Key management personnel are considered to comprise the directors and elders.

7. Net income for the year

Net income is stated after charging:

| | Total 2024 | Total 2023 |
|-----------------------------|-----------------------|-----------------------|
| | £ | £ |
| Depreciation | 93,460 | 71,086 |
| Independent examiner's fees | <u>2,580</u> | <u>2,460</u> |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(continued)

| 8. Tangible fixed assets | Freehold property | Leasehold property | Fixtures & fittings | Total |
|---------------------------------|------------------------------|-------------------------------|------------------------------------|------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2023 | 2,715,853 | 249,014 | 182,716 | 3,147,583 |
| Additions | - | - | 48,827 | 48,827 |
| Disposals | - | - | - | - |
| At 31 March 2024 | <u>2,715,853</u> | <u>249,014</u> | <u>231,543</u> | <u>3,196,410</u> |
| Depreciation | | | | |
| At 1 April 2023 | 745,807 | 13,835 | 147,935 | 907,577 |
| Charge for the year | 81,998 | 2,767 | 8,695 | 93,460 |
| Elimination on disposal | - | - | - | - |
| At 31 March 2024 | <u>827,805</u> | <u>16,602</u> | <u>156,630</u> | <u>1,001,037</u> |
| Net book amount | | | | |
| At 31 March 2024 | <u>1,888,048</u> | <u>232,412</u> | <u>74,913</u> | <u>2,195,373</u> |
| At 31 March 2023 | <u>1,970,046</u> | <u>235,179</u> | <u>34,781</u> | <u>2,240,006</u> |

All assets are held to further the main objects of the charity.

9. Investments

The charitable company owns all of the seven issued shares of The Durham Centre Limited, a company registered in England; the company provides a range of flexible, modern, well-resourced meeting solutions. Further details of the subsidiary undertaking's results for the year are outlined in note 16.

10. Debtors

| | 2024 | 2023 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Accounts receivable | - | - |
| Gift aid recoverable | 68,247 | 62,789 |
| Other debtors | 4,709 | 6,311 |
| Prepayments and accrued income | 7,665 | 3,606 |
| Amount owed by subsidiary undertaking | <u>50,635</u> | <u>65,206</u> |
| | <u>131,256</u> | <u>137,912</u> |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(continued)

11. Cash at bank and in hand

| | 2024 | 2023 |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Bank deposit accounts | 1,631 | 1,628 |
| Bank current accounts | 136,108 | 167,314 |
| Cash in hand | <u>419</u> | <u>419</u> |
| | 138,158 | 169,361 |
| | <u> </u> | <u> </u> |

12. Creditors: amounts falling due within one year

| | £ | £ |
|---------------------------------------|-------------------|-------------------|
| Bank loans (secured) | 23,108 | 28,583 |
| Trade creditors | 12,596 | 20,637 |
| Other taxes and social security costs | 2,297 | 2,101 |
| Accruals and deferred income | 6,877 | 5,904 |
| Other creditors | <u>1,940</u> | <u>2,180</u> |
| | 46,818 | 59,405 |
| | <u> </u> | <u> </u> |

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

| | £ | £ |
|----------------------|-------------------|-------------------|
| Bank loans (secured) | 766,190 | 786,237 |
| Other creditors | <u>-</u> | <u>-</u> |
| | 766,190 | 786,237 |
| | <u> </u> | <u> </u> |

The main bank loan is fully secured on the freehold and leasehold properties. It is repayable by instalments expiring in 2041. The amount due at 31 March 2024 is analysed as follows:

| | £ |
|------------------------------|-------------------|
| Within one year | 19,220 |
| between one and two years | 20,000 |
| between three and five years | 60,000 |
| after more than five years | <u>661,169</u> |
| | <u> </u> |

The charitable company took out a Government backed bounce back loan of £50,000 in 2021; which is repayable in equal instalments over 10 years.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(continued)

14. Fund movements

| | Balance at 1 April 2023 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 March 2024 £ |
|---------------------|--|-------------------------------------|-------------------------------------|-----------------------------|---|
| Unrestricted | | | | | |
| General | 1,700,505 | 472,490 | (524,544) | - | 1,648,451 |
| Restricted | | | | | |
| Building fund | - | 4,255 | (4,255) | - | - |
| Children's work | - | 165 | (165) | - | - |
| Beyond Ourselves | <u>1,139</u> | <u>3,052</u> | <u>(856)</u> | <u>-</u> | <u>3,335</u> |
| | 1,701,644 | 479,962 | (529,820) | - | 1,651,786 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | | | | | |
| | Balance at 1 April 2022 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 March 2023 £ |
| Unrestricted | | | | | |
| General | 1,865,840 | 386,193 | (551,528) | - | 1,700,505 |
| Restricted | | | | | |
| Building fund | 11,610 | 17,643 | (29,253) | - | - |
| Children's work | - | 1,617 | (1,617) | - | - |
| Beyond Ourselves | <u>1,483</u> | <u>2,070</u> | <u>(2,414)</u> | <u>-</u> | <u>1,139</u> |
| | 1,878,933 | 407,523 | (584,812) | - | 1,701,644 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

The General reserve represents the free funds of the charity which are not designated for particular purposes.

The Building fund is restricted to the development of the Durham site.

The Children's work fund is restricted to work with children in the Church and the local community.

Beyond Ourselves is a fund which is restricted for use in home and overseas missionary and relief work. This includes relief to individuals with debt management issues.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(continued)

| 15. Analysis of net assets | Fixed assets | Net current assets | Creditors due over one year | Total 2024 |
|----------------------------|-----------------------------|-----------------------------|-----------------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General | 2,195,380 | 219,261 | (766,190) | 1,648,451 |
| Restricted funds | | | | |
| Beyond Ourselves | — | 3,335 | — | 3,335 |
| | 2,195,380 | 222,596 | (766,190) | 1,651,786 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

16. Subsidiary undertaking

The Durham Centre Limited traded during the year providing a range of flexible, modern, well-resourced meeting solutions. Trading was strong in the year and a net profit of £43,932 arose in the year. £40,000 has been paid to Emmanuel Church Durham by way of deed of covenant.

17. Reconciliation of net debt

| | 31 March 2023 | Cash flows | Non cash movements | 31 March 2024 |
|--------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Cash and cash equivalents | 169,361 | -31,203 | 0 | 138,158 |
| Bank loans due within one year | -28,583 | 25,522 | -20,047 | -23,108 |
| Bank loans due over one year | -786,237 | - | 20,047 | -766,190 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Net debt | -645,459 | -5,681 | 0 | -651,140 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

EMMANUEL CHURCH DURHAM

England & Wales - Charity number 1120286

Accounts

Company Registration number 06101946
Charity Registration number 1120286



EMMANUEL CHURCH DURHAM

(a Company limited by guarantee without Share Capital)

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 March 2023

Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

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EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 March 2023.

Reference and administrative details

Company number: 06101946

Charity number: 1120286

Principal address: The Durham Centre
Belmont Industrial Estate
Durham
DH1 1TN

Independent examiner: John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne, NE4 7YD

Bankers: CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent, ME19 4JQ

Barclays Bank PLC
Leicester
LE87 2BB

Solicitors: Muckles LLP
Time Central
32 Gallowgate
Newcastle upon Tyne NE1 4BF

Directors

The following directors of the charitable company (who are its trustees for the purposes of charity law) served during the year and up to the date of approval of this report:

| | |
|--------------|-------------------------------------|
| G A Bell | Executive Chairman and Senior Elder |
| I J Portwine | Executive Director and Elder |
| J E Booth | Non-executive and Treasurer |
| W R Byng | Non-executive lay member |

Company secretary: A J Biggs

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Structure, governance and management

Governing document

Emmanuel Church Durham is a Company limited by guarantee, governed by its Memorandum and Articles of Association dated 13 February 2007.

The charitable company was incorporated in order to provide a distinct legal entity to carry out the activities of Emmanuel Church Durham which since 1991 had been undertaken through a charitable trust. The company was registered with the Charity Commission on 26 July 2007. On 1 December 2007 the entire assets, liabilities and undertakings of the Emmanuel Church Durham charitable trust were transferred to the charitable company.

There are currently three members, each of whom agree to contribute £1 in the event of the charitable company winding up.

Appointment and retirement of directors

Directors are required to sign a confirmation that they adhere to the articles of faith contained within the company's Memorandum and Articles of Association and that they understand their obligations as directors. Directors serve for a fixed term of two years and are eligible for reappointment.

Directors' induction and training

The Charity Commission website and publications are used to keep the directors up to date with developments in the charitable sector. The necessity for formal training sessions for individual directors is reviewed each year.

Organisation

The charitable company operates primarily in the County Durham area, with links with churches and Christian organisations both in the UK and internationally. Church membership is voluntary and free.

The charitable company is overseen by a board of directors, which consists of the two of the five leaders – Elders - of Emmanuel Church and, currently, two lay members. The Elders of the Church are responsible for the day-to-day running of the charitable company, including the direction of the Church and the pastoral care of the membership. The lay members include the Treasurer and other persons operating in a non-executive capacity.

The board of directors meets at least quarterly, to review the finances, risk management, legal issues and other matters affecting the charitable company. A separate remuneration sub-committee operates consisting of the non-executive directors who do not receive payments from the charitable company to review the financial provision for the two full-time executive directors.

In setting our objectives and planning our activities, the directors have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Risk management

The board of directors considers the major risks to which the charitable company is exposed and identifies the appropriate mitigation. To this end the charity has taken out employer's liability, public liability and buildings insurance.

A strict child protection policy is implemented; all voluntary helpers who work with children are subject to criminal records bureau checks and must comply with detailed guidelines for the care of children. In order to ensure the safety of the Church members and general public a team of stewards operate during Sunday meetings. A fire evacuation plan has been drawn up.

A system of financial control exists to prevent the loss of the charity's assets through fraud and mismanagement. Financial reports are made at least quarterly to the Board. Our reserves policy is reviewed annually.

Objectives, activities and achievements

The objectives of the charitable company are:-

- a) The advancement of the Christian Faith;
- b) The relief of persons who are in a condition of need or hardship;
- c) The provision of instruction in the Christian Faith.

The vision of the Church is - *To be a growing charismatic family church with a world vision.*

The Church congregation meets on a Sunday at The Durham Centre in Durham City. During University term time attendance is about 200 adults, with about 70 children. The Sunday morning acts as a "shop window" for the other activities of the Church, which take place during the week. As a diverse Church we cater for people's needs in many different ways, principally by having smaller mid-week groups. The activities of Emmanuel Church extend far beyond our regular Sunday morning meetings. The measurement of the success of our activities by the use of financial performance indicators is not wholly appropriate for a charity with these much wider objectives.

The Church employs one full-time and two part-time children's and youth workers to oversee and develop the children's and youth work both in the Church and the local community. The mid-week provision for our groups uses a detached model and has grown during the year. Links with local schools have been strengthened, and a number of assemblies have been taken. The youth also enjoyed attending the first national NewDay camp in Norfolk, following COVID.

Work with University students has continued as they meet at the HUB, a student and 20's Sunday evening meeting based in a city centre location. This has created a great community feel for this group. We employ one full time person to support and develop this work. We were also able to have an intern for the year.

The development of The Emmanuel Centre (TEC), our new building with capacity for 500 seats, has continued to be the cause of great frustration. We were planning to move into the building in Easter 2021, but that was not possible because of a design fault in the heating system. This year has been spent trying to rectify the issue by installing a complementary heating and air handling system. Our expectation is that it will be usable from Spring 2023.

Connections with the community have continued to be strengthened with our Make Lunch initiative, detached youth work, school assemblies and supporting the Christian Unions of local schools. We were able to run a number of Alpha courses during the year. Partnering with Acts435 enabled financial support to be offered where needed. At Christmas we saw the return of our annual FunDay which was attended by the Mayor of Durham.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Objectives, activities and achievements (continued)

Our Emmanuel Global Reach (EGR) initiative has assisted us in our outreach to the nations. A number of training conferences have been put on, one including a prominent International ministry. This year we were able to send teams to Bulgaria and Turkey. There has also been support to a church family relocating to Kenya for a season, and two of our recent graduates as they develop a ministry. A number of prayer initiatives for specific areas of the world have also started. We are also seeing an increasing diversity within our gathered community.

Financial review

We remain very grateful for the strength of our voluntary income, both regular giving and giving for specific purposes. The Durham Centre returned to profitability in the year following the pandemic restrictions to its operations. We expect the flow of income into the Church from TDC to resume in the current year.

The design fault in the heating system of The Emmanuel Centre caused to incur significant costs in rectifying the position and in legal costs pursuing our claims. These unanticipated costs were the principal reason why the Church incurred a deficit of £165,335 in the year. We are fortunate that we were able to absorb this loss through our strong reserves.

Investment policy

As the guaranteed unrestricted funds are minimal, there is little opportunity for investment. The directors have considered the most appropriate policy for investing cash resources and have decided that bank deposits meet their requirements of a reasonable rate of return, without significant capital risk, and with predictable accessibility to the funds. We review this policy regularly.

Reserves policy

It remains the directors' policy to maintain free reserves of between six to twelve months fixed committed expenditure. Free reserves at 31 March 2023 were £275,312 (2022: £401,150). The directors are satisfied that this provides a reasonable level of reserves to hold for our ongoing activities, including trading activities at The Durham Centre, and for our development commitments.

Plans for future periods

We continue to be motivated by our vision statement of being "A growing charismatic family church with a world vision". We also anticipate that our growing relationship with Regions Beyond will lead to more opportunities to serve nations around the world.

Movement into TEC is important for fulfilling our growth potential. We are looking to a first launch event in May following extensive training for Musicians, PA and AV in using the new systems. Raising funds to be able to develop the second phase which will give a foyer, toilets, kitchen and meeting rooms will be ongoing.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Statement of the directors' responsibilities in relation to the financial statements

The directors are responsible for preparing the Directors' 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 17 December 2023 and signed on their behalf by:

G A Bell
Chair

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS ON THE UNAUDITED
FINANCIAL STATEMENTS OF EMMANUEL CHURCH DURHAM**

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 March 2023, which are set out on pages 7 to 18.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors 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 your 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 report

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales.

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 accounting 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.

**John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD**

17 December 2023

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2023

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| INCOME FROM: | | | | | |
| Giving | 2 | 382,635 | 19,260 | 401,895 | 433,694 |
| Charitable activities | | | | | |
| Bible weeks, weekends away and events | | 3,012 | 2,070 | 5,082 | 1,508 |
| Other trading activities | | | | | |
| The Durham Centre – covenanted donation | 16 | - | - | - | - |
| Investments | 3 | 546 | - | 546 | 178 |
| Coronavirus job retention scheme grants | | - | - | - | 2,462 |
| | | _____ | _____ | _____ | _____ |
| Total | | 386,193 | 21,330 | 407,523 | 437,842 |
| | | ===== | ===== | ===== | ===== |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 4 | 551,528 | 33,284 | 584,812 | 398,784 |
| | | _____ | _____ | _____ | _____ |
| Total | | 551,872 | 33,284 | 584,812 | 398,784 |
| | | ===== | ===== | ===== | ===== |
| NET (EXPENDITURE)/INCOME | 5-7 | (165,335) | (11,954) | (177,289) | 39,058 |
| Gross transfers between funds | | _____ - | _____ - | _____ - | _____ - |
| NET MOVEMENT IN FUNDS | | (165,335) | (11,954) | (177,289) | 39,058 |
| Total funds brought forward | | 1,865,840 | 13,093 | 1,878,933 | 1,839,875 |
| | | _____ | _____ | _____ | _____ |
| Total funds carried forward | 14/15 | 1,700,505 | 1,139 | 1,701,644 | 1,878,933 |
| | | ===== | ===== | ===== | ===== |

The charitable company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the charitable company are classed as continuing.

The notes on pages 11 to 18 form part of these financial statements.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

BALANCE SHEET

AT 31 MARCH 2023

| | | 2023 | | 2022 | |
|---|--------------|-----------------|------------------|-----------------|------------------|
| | Note | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 8 | | 2,240,006 | | 2,307,714 |
| Investments | 9 | | <u>7</u> | | <u>7</u> |
| | | | 2,240,013 | | 2,307,721 |
| Current assets | | | | | |
| Debtors | 10 | 137,912 | | 153,596 | |
| Cash and bank and in hand | 11 | <u>169,361</u> | | <u>295,879</u> | |
| | | | 307,273 | | 449,475 |
| Creditors: amounts falling due within one year | 12 | <u>(59,405)</u> | | <u>(74,078)</u> | |
| Net current assets | | | <u>247,868</u> | | <u>375,397</u> |
| Total assets less current liabilities | | | 2,487,881 | | 2,683,118 |
| Creditors: amounts falling due after one year | 13 | | (786,237) | | (804,185) |
| Net assets | | | <u>1,701,644</u> | | <u>1,878,933</u> |
| Funds | | | | | |
| Unrestricted | 14/15 | | 1,700,505 | | 1,865,840 |
| Restricted | 14/15 | | 1,139 | | 13,093 |
| Total funds | | | <u>1,701,644</u> | | <u>1,878,933</u> |

The Balance Sheet continues on the following page.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

BALANCE SHEET (continued)

**Directors' statements required by the Companies Act 2006
for the year ended 31 March 2023**

In approving these financial statements as directors of the company we hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;
- (b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 March 2023.
- (c) that we acknowledge our responsibilities for:
 - (1) ensuring that the company keeps adequate accounting records which comply with section 386 of the Companies Act 2006, and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved and authorised for issue by the directors on 17 December 2023:

G.A. Bell

J. Booth

I.J. Portwine

W. Byng

Company registration no. 06101946

The notes on pages 11 to 18 form part of these financial statements.

EMMANUEL CHURCH DURHAM
(a company limited by guarantee without share capital)

CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2023

| | 2023 | | 2022 | |
|---|----------------|------------------------------------|---------------|------------------------------------|
| | £ | £ | £ | £ |
| Reconciliation of net income to net cash flows from operating activities | | | | |
| Net income for year | (177,289) | | 39,058 | |
| Investment income | (546) | | (178) | |
| Depreciation | 71,086 | | 71,510 | |
| Loss on disposal of fixed assets | - | | - | |
| Movement in debtors | 15,684 | | (6,548) | |
| Movement in creditors | <u>(4,410)</u> | | <u>12,244</u> | |
| Net cash (outflow)/inflow from operating activities | | (95,475) | | 116,086 |
| Cash flows from investing activities | | | | |
| Purchases of tangible fixed assets | (3,378) | | (31,037) | |
| Investment income | <u>546</u> | | <u>178</u> | |
| Net cash flows from investing activities | | (2,832) | | (30,859) |
| Cash flows from financing activities | | | | |
| Repayments of bank loan | (28,211) | | (29,715) | |
| Additional bank loans received | <u>-</u> | | <u>-</u> | |
| Net cash flow from financing activities | | (28,211) | | (29,715) |
| Net (decrease)/increase in cash and cash equivalents | | (126,518) | | 55,512 |
| | | <u><u> </u></u> | | <u><u> </u></u> |
| Cash and cash equivalents at start of year | | 295,879 | | 240,367 |
| Cash and cash equivalents at end of year | | 169,361 | | 295,879 |
| | | <u><u> </u></u> | | <u><u> </u></u> |

The reconciliation of net debt arising in the year is set out in note 17.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements of the charitable company have been prepared under the historical cost convention and in accordance with the 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), the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice applicable to smaller entities. The charitable company constitutes a public benefit entity as defined by FRS102.

The charitable company has taken the option under section 398 of the Companies Act 2006 and the Charities Act 2011 (Group Accounts) Regulations 2015 not to prepare consolidated financial statements.

The financial accounts are prepared in Sterling (£) which is the functional currency of the charitable company.

1.2 Going concern

The directors of the charitable company are satisfied that there are no material uncertainties concerning the charitable company's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.3 Fund accounting

Unrestricted funds are those available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are those that are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the charity for particular purposes. Designated funds are earmarked by the directors for particular purposes.

1.4 Income

Giving - Collections are recognised when received by or on behalf of the Church. Planned giving under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies are accounted for as soon as the Church is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the Church is certain. Covenanted donations from The Durham Centre are recognised on an accruals basis.

Investment income – Interest entitlements are accounted for as they accrue.

Grants - Government Grants that compensate the charitable company for expenses incurred are recognised in the statement of financial affairs on a systematic basis in the same period in which the expenses are incurred.

1.5 Expenditure

Charitable activities – The cost of charitable activities represents the cost of undertaking the charity's objectives. All expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Value added tax is not recoverable by the charitable company and as such it is included in the relevant costs in the Statement of Financial Activities.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|----------------------------------|--------------------------------|
| Fixtures, fittings and equipment | 25% per annum reducing balance |
| Freehold property | over 20 years |
| Leasehold property | over the term of the lease |

1.7 Impairment of fixed assets

Properties, fixtures, fittings and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in the Statement of Financial Activities.

1.8 Debtors and creditors due within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses from impairment are recognised in expenditure.

1.9 Concessionary loans received

The charity initially recognises and measures concessionary loans at the amount received. The carrying amount is adjusted in subsequent years to reflect repayments and any accrued interest.

1.10 Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

1.11 Defined contribution plans

The charitable company operates a defined contribution pension scheme for its staff. The scheme and its assets are held by independent managers. The pension cost charge in the financial statements represents contributions due from the charity for the year.

1.12 Voluntary assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(continued)

2. Income from giving

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|----------------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Building fund | - | 14,115 | 14,115 | 33,690 |
| Tithes | 258,996 | - | 258,996 | 258,365 |
| Offerings and gifts | 61,643 | 1,617 | 63,260 | 73,326 |
| Gift aid recoverable | 61,996 | 3,528 | 65,524 | 68,313 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 382,635 | 19,260 | 401,895 | 433,694 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

3. Investment income

| | £ | £ | £ | £ |
|---------------------------|-------------|-------------|-------------|-------------|
| Interest on cash deposits | 546 | - | 546 | 178 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 546 | - | 546 | 178 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

4. Charitable activities

| | £ | £ | £ | £ |
|-------------------------------------|-------------|-------------|-------------|-------------|
| Gifts (below) | 33,327 | - | 33,327 | 26,668 |
| Global reach | 7,203 | - | 7,203 | 16,571 |
| Ministry fees and expenses (note 6) | 107,614 | - | 107,614 | 96,487 |
| Activities expenditure | 108,707 | 3,924 | 112,631 | 90,976 |
| Office administration | 8,421 | - | 8,421 | 4,825 |
| Insurance | 4,837 | - | 4,837 | 3,613 |
| Rates | 2,320 | - | 2,320 | 1,349 |
| Utilities | 14,398 | - | 14,398 | 11,171 |
| Bank charges | 2,190 | 107 | 2,297 | 2,178 |
| Depreciation | 71,086 | - | 71,086 | 71,510 |
| Repairs and maintenance | 12,823 | - | 12,823 | 10,400 |
| Legal and professional | 2,810 | - | 2,810 | 2,607 |
| Independent examiner's fees | 2,460 | - | 2,460 | 2,358 |
| Loan interest | 44,618 | - | 44,618 | 27,568 |
| Building project costs | 128,714 | 29,253 | 157,967 | 30,503 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 551,528 | 33,284 | 584,812 | 398,784 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Gifts comprise:

| | 2023 £ | 2022 £ |
|----------------------------|-------------------|-------------------|
| India giving | 250 | 1,017 |
| Regions Beyond UK (note 6) | 15,450 | 14,700 |
| Ministry | 10,427 | 8,300 |
| Needy | 7,000 | 2,376 |
| Other | 200 | 275 |
| | <hr/> | <hr/> |
| | 33,327 | 26,668 |
| | <hr/> <hr/> | <hr/> <hr/> |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(continued)

5. Staff costs

Staff costs were as follows:

| | Total 2023 | Total 2022 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Salaries and wages | 110,511 | 98,058 |
| Social security costs | 4,146 | 3,601 |
| Pension costs | <u>2,993</u> | <u>2,591</u> |
| | <u>117,650</u> | <u>104,250</u> |

No employee received emoluments above £60,000 p.a. in the year. The average number of staff employed by the charity during the year was 7 (2022: 7).

6. Directors' remuneration, related party transactions and key management personnel

Two of the directors are engaged in Ministry and in accordance with the charitable company's constitution, Ministry fees and salaries were paid to them during the year.

Ministry fees, salaries and expenses for the year were:

| | G A Bell | I J Portwine |
|-------------------|-----------------|---------------------|
| | £ | £ |
| Ministry fees | 41,934 | - |
| Ministry salaries | - | 41,486 |
| Wife's support | 3,940 | 6,600 |
| Expenses | <u>9,488</u> | <u>3,445</u> |

I J Portwine is also a director of Regions Beyond UK (note 4).

Key management personnel are considered to comprise the directors and elders.

7. Net income for the year

Net income is stated after charging:

| | Total 2023 | Total 2022 |
|-----------------------------|-----------------------|-----------------------|
| | £ | £ |
| Depreciation | 71,086 | 71,510 |
| Independent examiner's fees | <u>2,460</u> | <u>2,358</u> |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(continued)

| | | | | | |
|---------------------------------|------------------|------------------------------|-------------------------------|------------------------------------|------------------|
| 8. Tangible fixed assets | | Freehold property | Leasehold property | Fixtures & fittings | Total |
| | | | £ | £ | £ |
| Cost | | | | | |
| At 1 April 2022 | 2,715,853 | 249,014 | | 179,338 | 3,144,205 |
| Additions | - | - | | 3,378 | 3,378 |
| Disposals | - | - | | - | - |
| At 31 March 2023 | <u>2,715,853</u> | <u>249,014</u> | | <u>182,716</u> | <u>3,147,583</u> |
| Depreciation | | | | | |
| At 1 April 2022 | 687,956 | 11,068 | | 137,467 | 836,491 |
| Charge for the year | 57,851 | 2,767 | | 10,468 | 71,086 |
| Elimination on disposal | - | - | | - | - |
| At 31 March 2023 | <u>745,807</u> | <u>13,835</u> | | <u>147,935</u> | <u>907,577</u> |
| Net book amount | | | | | |
| At 31 March 2023 | <u>1,970,046</u> | <u>235,179</u> | | <u>34,781</u> | <u>2,240,006</u> |
| At 31 March 2022 | <u>2,027,897</u> | <u>237,946</u> | | <u>41,871</u> | <u>2,307,714</u> |

All assets are held to further the main objects of the charity.

9. Investments

The charitable company owns all of the seven issued shares of The Durham Centre Limited, a company registered in England; the company provides a range of flexible, modern, well-resourced meeting solutions. Further details of the subsidiary undertaking's results for the year are outlined in note 16.

10. Debtors

| | | |
|---------------------------------------|----------------|----------------|
| | 2023 | 2022 |
| | £ | £ |
| Accounts receivable | - | - |
| Gift aid recoverable | 62,789 | 67,049 |
| Other debtors | 6,311 | 4,771 |
| Prepayments and accrued income | 3,606 | 1,677 |
| Amount owed by subsidiary undertaking | <u>65,206</u> | <u>80,099</u> |
| | <u>137,912</u> | <u>153,596</u> |

The amount owed by the subsidiary undertaking is not due within one year.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(continued)

11. Cash at bank and in hand

| | 2023 | 2022 |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Bank deposit accounts | 1,628 | 1,628 |
| Bank current accounts | 167,314 | 294,101 |
| Cash in hand | <u>419</u> | <u>150</u> |
| | 169,361 | 295,879 |
| | <u> </u> | <u> </u> |

12. Creditors: amounts falling due within one year

| | £ | £ |
|---------------------------------------|-------------------|-------------------|
| Bank loans (secured) | 28,583 | 38,846 |
| Trade creditors | 20,637 | 22,356 |
| Other taxes and social security costs | 2,101 | 2,388 |
| Accruals and deferred income | 5,904 | 8,238 |
| Other creditors | <u>2,180</u> | <u>2,250</u> |
| | 59,405 | 74,078 |
| | <u> </u> | <u> </u> |

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

| | £ | £ |
|----------------------|-------------------|-------------------|
| Bank loans (secured) | 786,237 | 804,185 |
| Other creditors | <u>-</u> | <u>-</u> |
| | 786,237 | 804,185 |
| | <u> </u> | <u> </u> |

The main bank loan is fully secured on the freehold and leasehold properties. It is repayable by instalments expiring in 2041. The amount due at 31 March 2023 is analysed as follows:

| | £ |
|------------------------------|-------------------|
| Within one year | 24,383 |
| between one and two years | 27,000 |
| between three and five years | 85,000 |
| after more than five years | <u>633,783</u> |
| | <u> </u> |

The charitable company took out a Government backed bounce back loan of £50,000 in 2021; which is repayable in equal instalments over 10 years.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(continued)

14. Fund movements

| | Balance at 1 April 2022 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 March 2023 £ |
|---------------------|--|-------------------------------------|-------------------------------------|--------------------------|---|
| Unrestricted | | | | | |
| General | 1,865,840 | 386,193 | (551,528) | - | 1,700,505 |
| Restricted | | | | | |
| Building fund | 11,610 | 17,643 | (29,253) | - | - |
| Children's work | - | 1,617 | (1,617) | - | - |
| Beyond Ourselves | <u>1,483</u> | <u>2,070</u> | <u>(2,414)</u> | <u>-</u> | <u>1,139</u> |
| | 1,878,933 | 407,523 | (584,812) | - | 1,701,644 |
| | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> |
| | | | | | |
| | Balance at 1 April 2021 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 March 2022 £ |
| Unrestricted | | | | | |
| General | 1,836,464 | 383,267 | (353,891) | - | 1,865,840 |
| Restricted | | | | | |
| Building fund | - | 42,113 | (30,503) | - | 11,610 |
| Children's work | - | 876 | (876) | - | - |
| Global reach | - | 10,421 | (10,421) | - | - |
| Beyond Ourselves | <u>3,411</u> | <u>1,165</u> | <u>(3,093)</u> | <u>-</u> | <u>1,483</u> |
| | 1,839,875 | 437,842 | (398,784) | - | 1,878,933 |
| | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> |

The General reserve represents the free funds of the charity which are not designated for particular purposes.

The Building fund has been created in connection with development of the Durham site.

The Children's work fund is restricted to work with children in the Church and the local community.

The Global reach initiative is to assist outreach to other nations.

Beyond Ourselves is a fund which is restricted for use in home and overseas missionary and relief work. This includes relief to individuals with debt management issues.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(continued)

| 15. Analysis of net assets | Fixed assets | Net current assets | Creditors due over one year | Total 2023 |
|----------------------------|-----------------|--------------------------|-----------------------------------|---------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General | 2,240,013 | 246,729 | (786,237) | 1,700,505 |
| Restricted funds | | | | |
| Beyond Ourselves | _____ - | _____ 1,139 | _____ - | _____ 1,139 |
| | 2,240,013 | 247,868 | (786,237) | 1,701,644 |
| | ===== | ===== | ===== | ===== |

16. Subsidiary undertaking

The Durham Centre Limited traded during the year providing a range of flexible, modern, well-resourced meeting solutions. Trading recovered in the year, almost to pre-pandemic levels and a net profit of £45,267 arose in the year. The charitable company continues to support the subsidiary undertaking as its business recovers. It is anticipated that covenanted payments to the charitable company will restart in the current year.

17. Reconciliation of net debt

| | 31 March 2022 | Cash flows | Non cash movements | 31 March 2023 |
|--------------------------------|------------------|---------------|-----------------------|------------------|
| | £ | £ | £ | £ |
| Cash and cash equivalents | 295,879 | -126,361 | 0 | 169,361 |
| Bank loans due within one year | -38,846 | 28,211 | -17,948 | -28,583 |
| Bank loans due over one year | -804,185 | - | 17,948 | -786,237 |
| | _____ | _____ | _____ | _____ |
| Net debt | -547,152 | -98,307 | 0 | -645,459 |
| | ===== | ===== | ===== | ===== |

EMMANUEL CHURCH DURHAM

England & Wales - Charity number 1120286

Accounts

Company Registration number 06101946
Charity Registration number 1120286



EMMANUEL CHURCH DURHAM

(a Company limited by guarantee without Share Capital)

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 March 2022

Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

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EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 March 2022.

Reference and administrative details

Company number: 06101946

Charity number: 1120286

Principal address: The Durham Centre
Belmont Industrial Estate
Durham
DH1 1TN

Independent examiner: John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne, NE4 7YD

Bankers: CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent, ME19 4JQ

Barclays Bank PLC
6 Market Place
Durham
DH1 3ND

Solicitors: Richmond Partnership
19 Old Elvet
Durham
DH3 3TA

Directors

The following directors of the charitable company (who are its trustees for the purposes of charity law) served during the year and up to the date of approval of this report:

| | |
|--------------|-------------------------------------|
| G A Bell | Executive Chairman and Senior Elder |
| I J Portwine | Executive Director and Elder |
| J E Booth | Non-executive and Treasurer |
| W R Byng | Non-executive lay member |

Company secretary: A J Biggs

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Structure, governance and management

Governing document

Emmanuel Church Durham is a Company limited by guarantee, governed by its Memorandum and Articles of Association dated 13 February 2007.

The charitable company was incorporated in order to provide a distinct legal entity to carry out the activities of Emmanuel Church Durham which since 1991 had been undertaken through a charitable trust. The company was registered with the Charity Commission on 26 July 2007. On 1 December 2007 the entire assets, liabilities and undertakings of the Emmanuel Church Durham charitable trust were transferred to the charitable company.

There are currently three members, each of whom agree to contribute £1 in the event of the charitable company winding up.

Appointment and retirement of directors

Directors are required to sign a confirmation that they adhere to the articles of faith contained within the company's Memorandum and Articles of Association and that they understand their obligations as directors. Directors serve for a fixed term of two years and are eligible for reappointment.

Directors' induction and training

The Charity Commission website and publications are used to keep the directors up to date with developments in the charitable sector. The necessity for formal training sessions for individual directors is reviewed each year.

Organisation

The charitable company operates primarily in the County Durham area, with links with churches and Christian organisations both in the UK and internationally. Church membership is voluntary and free.

The charitable company is overseen by a board of directors, which consists of the two of the five leaders – Elders - of Emmanuel Church and, currently, two lay members. The Elders of the Church are responsible for the day-to-day running of the charitable company, including the direction of the Church and the pastoral care of the membership. The lay members include the Treasurer and other persons operating in a non-executive capacity.

The board of directors meets at least quarterly, to review the finances, risk management, legal issues and other matters affecting the charitable company. A separate remuneration sub-committee operates consisting of the non-executive directors who do not receive payments from the charitable company to review the financial provision for the two full-time executive directors.

In setting our objectives and planning our activities, the directors have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Risk management

The board of directors considers the major risks to which the charitable company is exposed and identifies the appropriate mitigation. To this end the charity has taken out employer's liability, public liability and buildings insurance.

A strict child protection policy is implemented; all voluntary helpers who work with children are subject to criminal records bureau checks and must comply with detailed guidelines for the care of children. In order to ensure the safety of the Church members and general public a team of stewards operate during Sunday meetings. A fire evacuation plan has been drawn up.

A system of financial control exists to prevent the loss of the charity's assets through fraud and mismanagement. Financial reports are made at least quarterly to the Board. Our reserves policy is reviewed annually.

Objectives, activities and achievements

The objectives of the charitable company are:-

- a) The advancement of the Christian Faith;
- b) The relief of persons who are in a condition of need or hardship;
- c) The provision of instruction in the Christian Faith.

The vision of the Church is - *To be a growing charismatic family church with a world vision.*

This year has seen the transition from COVID-19 restrictions back to normal life without restrictions, which we welcome very much. From July 2021 we were able to meet together in one meeting on a Sunday morning and have benefited from having everyone together. A few people left the church during the pandemic, but many more have been added to us and have integrated well. Zoom continues to be used when it suits us and has been a great tool in connecting with friends overseas. All of our kids, youth and community provision is back in person, and growing, as is our student work. We were also able to host a major national Conference for our church group over three days in November.

Conference trade during the year has been slowly building back up. Consequently, church income has been growing.

The development of The Emmanuel Centre (TEC), our new building with capacity for 500 seats, has continued to be the cause of great frustration. We were planning to move into the building in Easter 2021, but that was not possible because of a design fault in the heating system. This year has been spent trying to rectify the issue which has taken far longer than anyone would have expected and is still on-going.

Connections with the community have continued to be strengthened with our Make Lunch initiative, detached youth work, school assemblies and supporting the Christian Unions of local schools. We were able to run a number of Alpha courses during the year, one of which was hosted by a substance rehabilitation charity in Seaham.

Our newly launched Emmanuel Global Reach (EGR) initiative has assisted us in our outreach to the nations. A number of training conferences have been put on, one including a prominent International ministry. Through that a connection has been made to a group based in Bulgaria and planning for a team to go there has commenced. There has also been support to a church family relocating to Kenya for a season as well as numerous new prayer initiatives for specific areas of the world.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Financial review

We remain very grateful for the strength of our voluntary income, both regular giving and giving for specific purposes. The Durham Centre again incurred losses in the year, as it recovers from the Government imposed Covid-19 restrictions to its trading. We achieved a surplus in the year on unrestricted funds of £29,376, compared with £72,267 in the previous year.

The development of The Emmanuel Centre stalled in the year because of the problem with the heating system. We incurred legal costs with our claims on this work. We also incurred costs in drawing up plans for Phase 2 of the development.

Investment policy

As the guaranteed unrestricted funds are minimal, there is little opportunity for investment. The directors have considered the most appropriate policy for investing cash resources and have decided that bank deposits meet their requirements of a reasonable rate of return, without significant capital risk, and with predictable accessibility to the funds. We review this policy regularly.

Reserves policy

It remains the directors' policy to maintain free reserves of between six to twelve months fixed committed expenditure. Free reserves at 31 March 2022 were £401,150 (2021: £361,016). The directors are satisfied that this provides a reasonable level of reserves to hold for our ongoing activities, including trading activities at The Durham Centre, and for our development commitments.

Plans for future periods

TDC business is beginning to see the first shoots of growth as it is able to trade again. As confidence returns to business, we feel we are in an ideal position to serve them. With the potential movement away from office to home-based work we see a real opportunity in being able to provide a context to bring people together again.

Movement into TEC is important for our growth potential and raising funds to be able to develop the second phase which will give a foyer, toilets, kitchen and meeting rooms will be ongoing.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Statement of the directors' responsibilities in relation to the financial statements

The directors are responsible for preparing the Directors' 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 18 December 2022 and signed on their behalf by:

G A Bell
Chair

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS ON THE UNAUDITED
FINANCIAL STATEMENTS OF EMMANUEL CHURCH DURHAM**

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 March 2022, which are set out on pages 7 to 18.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors 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 your 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 report

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales.

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 accounting 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.

**John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD**

18 December 2022

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2022

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| INCOME FROM: | | | | | |
| Giving | 2 | 379,119 | 54,575 | 433,694 | 432,795 |
| Charitable activities | | | | | |
| Bible weeks, weekends away and events | | 1,508 | - | 1,508 | 315 |
| Other trading activities | | | | | |
| The Durham Centre – covenanted donation | 16 | - | - | - | - |
| Investments | 3 | 178 | - | 178 | 173 |
| Coronavirus job retention scheme grants | | 2,462 | - | 2,462 | 27,974 |
| | | _____ | _____ | _____ | _____ |
| Total | | 383,267 | 54,575 | 437,842 | 461,257 |
| | | ===== | ===== | ===== | ===== |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 4 | 353,891 | 44,893 | 398,784 | 324,439 |
| | | _____ | _____ | _____ | _____ |
| Total | | 353,891 | 44,893 | 398,784 | 324,439 |
| | | ===== | ===== | ===== | ===== |
| NET INCOME | 5-7 | 29,376 | 9,682 | 39,058 | 136,818 |
| Gross transfers between funds | | - | - | - | - |
| NET MOVEMENT IN FUNDS | | 29,376 | 9,682 | 39,058 | 136,818 |
| Total funds brought forward | | 1,836,464 | 3,411 | 1,839,875 | 1,703,057 |
| | | _____ | _____ | _____ | _____ |
| Total funds carried forward | 14/15 | 1,865,840 | 13,093 | 1,878,933 | 1,839,875 |
| | | ===== | ===== | ===== | ===== |

The charitable company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the charitable company are classed as continuing.

The notes on pages 11 to 18 form part of these financial statements.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

BALANCE SHEET

AT 31 MARCH 2022

| | | 2022 | | 2021 | |
|---|-------|---------|------------------|---------|------------------|
| | Note | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 8 | | 2,307,714 | | 2,348,187 |
| Investments | 9 | | <u> 7</u> | | <u> 7</u> |
| | | | 2,307,721 | | 2,348,194 |
| Current assets | | | | | |
| Debtors | 10 | 153,596 | | 147,048 | |
| Cash and bank and in hand | 11 | | <u>295,879</u> | | <u>240,367</u> |
| | | | 449,475 | | 387,415 |
| Creditors: amounts falling due within one year | 12 | | <u>(74,078)</u> | | <u>(58,688)</u> |
| Net current assets | | | <u>375,397</u> | | <u>328,727</u> |
| Total assets less current liabilities | | | 2,683,118 | | 2,676,921 |
| Creditors: amounts falling due after one year | 13 | | (804,185) | | (837,046) |
| Net assets | | | <u>1,878,933</u> | | <u>1,839,875</u> |
| Funds | | | | | |
| Unrestricted | 14/15 | | 1,865,840 | | 1,836,464 |
| Restricted | 14/15 | | 13,093 | | 3,411 |
| Total funds | | | <u>1,878,933</u> | | <u>1,839,875</u> |

The Balance Sheet continues on the following page.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

BALANCE SHEET (continued)

**Directors' statements required by the Companies Act 2006
for the year ended 31 March 2022**

In approving these financial statements as directors of the company we hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;
- (b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 March 2022.
- (c) that we acknowledge our responsibilities for:
 - (1) ensuring that the company keeps adequate accounting records which comply with section 386 of the Companies Act 2006, and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved and authorised for issue by the directors on 18 December 2022:

G.A. Bell

J. Booth

I.J. Portwine

W. Byng

Company registration no. 06101946

The notes on pages 11 to 18 form part of these financial statements.

EMMANUEL CHURCH DURHAM
(a company limited by guarantee without share capital)

CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2022

| | 2022 | | 2021 | |
|---|---------------|-----------------------|----------------|-------------------------|
| | £ | £ | £ | £ |
| Reconciliation of net income to net cash flows from operating activities | | | | |
| Net income for year | 39,058 | | 136,818 | |
| Investment income | (178) | | (173) | |
| Depreciation | 71,510 | | 66,385 | |
| Loss on disposal of fixed assets | - | | - | |
| Movement in debtors | (6,548) | | (27,304) | |
| Movement in creditors | <u>12,244</u> | | <u>5,523</u> | |
| Net cash inflow from operating activities | | 116,086 | | 181,249 |
| Cash flows from investing activities | | | | |
| Purchases of tangible fixed assets | (31,037) | | (445,154) | |
| Investment income | <u>178</u> | | <u>173</u> | |
| Net cash flows from investing activities | | (30,859) | | (444,981) |
| Cash flows from financing activities | | | | |
| Repayments of bank loan | (29,715) | | (7,893) | |
| Additional bank loans received | <u>-</u> | | <u>116,623</u> | |
| Net cash flow from financing activities | | (29,715) | | 108,730 |
| Net increase/(decrease) in cash and cash equivalents | | <u>55,512</u> | | <u>(155,002)</u> |
| Cash and cash equivalents at start of year | | 240,367 | | 395,369 |
| Cash and cash equivalents at end of year | | <u>295,879</u> | | <u>240,367</u> |

The reconciliation of net debt arising in the year is set out in note 17.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements of the charitable company have been prepared under the historical cost convention and in accordance with the 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), the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice applicable to smaller entities. The charitable company constitutes a public benefit entity as defined by FRS102.

The charitable company has taken the option under section 398 of the Companies Act 2006 and the Charities Act 2011 (Group Accounts) Regulations 2015 not to prepare consolidated financial statements.

The financial accounts are prepared in Sterling (£) which is the functional currency of the charitable company.

1.2 Going concern

The directors of the charitable company are satisfied that there are no material uncertainties concerning the charitable company's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.3 Fund accounting

Unrestricted funds are those available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are those that are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the charity for particular purposes. Designated funds are earmarked by the directors for particular purposes.

1.4 Income

Giving - Collections are recognised when received by or on behalf of the Church. Planned giving under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies are accounted for as soon as the Church is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the Church is certain. Covenanted donations from The Durham Centre are recognised on an accruals basis.

Investment income – Interest entitlements are accounted for as they accrue.

Grants - Government Grants that compensate the charitable company for expenses incurred are recognised in the statement of financial affairs on a systematic basis in the same period in which the expenses are incurred.

1.5 Expenditure

Charitable activities – The cost of charitable activities represents the cost of undertaking the charity's objectives. All expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Value added tax is not recoverable by the charitable company and as such it is included in the relevant costs in the Statement of Financial Activities.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|----------------------------------|--------------------------------|
| Fixtures, fittings and equipment | 25% per annum reducing balance |
| Freehold property | over 20 years |
| Leasehold property | over the term of the lease |

1.7 Impairment of fixed assets

Properties, fixtures, fittings and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in the Statement of Financial Activities.

1.8 Debtors and creditors due within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses from impairment are recognised in expenditure.

1.9 Concessionary loans received

The charity initially recognises and measures concessionary loans at the amount received. The carrying amount is adjusted in subsequent years to reflect repayments and any accrued interest.

1.10 Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

1.11 Defined contribution plans

The charitable company operates a defined contribution pension scheme for its staff. The scheme and its assets are held by independent managers. The pension cost charge in the financial statements represents contributions due from the charity for the year.

1.12 Voluntary assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(continued)

2. Income from giving

| | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|----------------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Building fund | - | 33,690 | 33,690 | 80,878 |
| Tithes | 258,365 | - | 258,365 | 252,050 |
| Offerings and gifts | 62,020 | 11,306 | 73,326 | 28,668 |
| Gift aid recoverable | 58,734 | 9,579 | 68,313 | 71,199 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 379,119 | 54,575 | 433,694 | 432,795 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

3. Investment income

| | £ | £ | £ | £ |
|---------------------------|-------------|-------------|-------------|-------------|
| Interest on cash deposits | 178 | - | 178 | 173 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 178 | - | 178 | 173 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

4. Charitable activities

| | £ | £ | £ | £ |
|-------------------------------------|-------------|-------------|-------------|-------------|
| Gifts (below) | 26,668 | - | 26,668 | 33,518 |
| Global reach | 6,150 | 10,421 | 16,571 | |
| Ministry fees and expenses (note 6) | 96,487 | - | 96,487 | 88,641 |
| Activities expenditure | 87,007 | 3,969 | 90,976 | 63,346 |
| Office administration | 4,825 | - | 4,825 | 6,659 |
| Insurance | 3,613 | - | 3,613 | 3,270 |
| Rates | 1,349 | - | 1,349 | 679 |
| Utilities | 11,171 | - | 11,171 | 7,223 |
| Bank charges | 2,178 | - | 2,178 | 2,133 |
| Depreciation | 71,510 | - | 71,510 | 66,385 |
| Repairs and maintenance | 10,400 | - | 10,400 | 3,020 |
| Legal and professional | 2,607 | - | 2,607 | 2,649 |
| Independent examiner's fees | 2,358 | - | 2,358 | 2,358 |
| Loan interest | 27,568 | - | 27,568 | 20,467 |
| Building project costs | - | 30,503 | 30,503 | 24,091 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 353,891 | 44,893 | 398,784 | 324,439 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Gifts comprise:

| | 2022 £ | 2021 £ |
|----------------------------|-------------------|-------------------|
| India giving | 1,017 | - |
| Regions Beyond UK (note 6) | 14,700 | 13,000 |
| Ministry | 8,300 | 7,100 |
| Needy | 2,376 | 13,190 |
| Other | 275 | 228 |
| | <hr/> | <hr/> |
| | 26,668 | 33,518 |
| | <hr/> <hr/> | <hr/> <hr/> |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(continued)

5. Staff costs

Staff costs were as follows:

| | Total 2022 | Total 2021 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Salaries and wages | 98,058 | 95,244 |
| Social security costs | 3,601 | 2,799 |
| Pension costs | <u>2,591</u> | <u>1,230</u> |
| | <u>104,250</u> | <u>99,273</u> |

No employee received emoluments above £60,000 p.a. in the year. The average number of staff employed by the charity during the year was 7 (2021: 7).

6. Directors' remuneration, related party transactions and key management personnel

Two of the directors are engaged in Ministry and in accordance with the charitable company's constitution, Ministry fees and salaries were paid to them during the year.

Ministry fees, salaries and expenses for the year were:

| | G A Bell | I J Portwine |
|-------------------|-----------------|---------------------|
| | £ | £ |
| Ministry fees | 38,009 | - |
| Ministry salaries | - | 40,209 |
| Wife's support | 3,830 | 5,385 |
| Expenses | <u>6,203</u> | <u>2,563</u> |

I J Portwine is also a director of Regions Beyond UK (note 4).

Key management personnel are considered to comprise the directors and elders.

7. Net income for the year

Net income is stated after charging:

| | Total 2022 | Total 2021 |
|-----------------------------|-----------------------|-----------------------|
| | £ | £ |
| Depreciation | 71,510 | 66,385 |
| Independent examiner's fees | <u>2,358</u> | <u>2,358</u> |

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(continued)

| 8. Tangible fixed assets | Freehold property | Leasehold property | Fixtures & fittings | Total |
|---------------------------------|------------------------------|-------------------------------|------------------------------------|------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2021 | 2,694,011 | 249,014 | 170,143 | 3,113,168 |
| Additions | 21,842 | - | 9,195 | 31,037 |
| Disposals | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| At 31 March 2022 | <u>2,715,853</u> | <u>249,014</u> | <u>179,338</u> | <u>3,144,205</u> |
| Depreciation | | | | |
| At 1 April 2021 | 630,105 | 8,301 | 126,575 | 764,981 |
| Charge for the year | 57,851 | 2,767 | 10,892 | 71,510 |
| Elimination on disposal | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| At 31 March 2022 | <u>687,956</u> | <u>11,068</u> | <u>137,467</u> | <u>836,491</u> |
| Net book amount | | | | |
| At 31 March 2022 | <u>2,027,897</u> | <u>237,946</u> | <u>41,871</u> | <u>2,307,714</u> |
| At 31 March 2021 | <u>2,063,906</u> | <u>240,713</u> | <u>43,568</u> | <u>2,348,187</u> |

All assets are held to further the main objects of the charity.

9. Investments

The charitable company owns all of the seven issued shares of The Durham Centre Limited, a company registered in England; the company provides a range of flexible, modern, well-resourced meeting solutions. Further details of the subsidiary undertaking's results for the year are outlined in note 16.

10. Debtors

| | 2022 | 2021 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Accounts receivable | - | - |
| Gift aid recoverable | 67,049 | 66,022 |
| Other debtors | 4,771 | 30,480 |
| Prepayments and accrued income | 1,677 | 1,611 |
| Amount owed by subsidiary undertaking | <u>80,099</u> | <u>48,935</u> |
| | <u>153,596</u> | <u>147,048</u> |

The amount owed by the subsidiary undertaking is not due within one year.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(continued)

11. Cash at bank and in hand

| | 2022 | 2021 |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Bank deposit accounts | 1,628 | 10,626 |
| Bank current accounts | 294,101 | 229,682 |
| Cash in hand | <u>150</u> | <u>59</u> |
| | 295,879 | 240,367 |
| | <u> </u> | <u> </u> |

12. Creditors: amounts falling due within one year

| | £ | £ |
|---------------------------------------|-------------------|-------------------|
| Bank loans (secured) | 38,846 | 35,700 |
| Trade creditors | 22,356 | 7,112 |
| Other taxes and social security costs | 2,388 | 1,379 |
| Accruals and deferred income | 8,238 | 3,907 |
| Other creditors | <u>2,250</u> | <u>10,590</u> |
| | 74,078 | 58,688 |
| | <u> </u> | <u> </u> |

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

| | £ | £ |
|----------------------|-------------------|-------------------|
| Bank loans (secured) | 804,185 | 837,046 |
| Other creditors | <u>-</u> | <u>-</u> |
| | 804,185 | 837,046 |
| | <u> </u> | <u> </u> |

The main bank loan is fully secured on the freehold and leasehold properties. It is repayable by instalments expiring in 2041. The amount due at 31 March 2022 is analysed as follows:

| | £ |
|------------------------------|-------------------|
| Within one year | 33,759 |
| between one and two years | 34,872 |
| between three and five years | 111,673 |
| after more than five years | 625,891 |
| | <u> </u> |

The charitable company took out a Government backed bounce back loan in 2021 of £50,000 which is repayable in equal instalments over 10 years.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(continued)

14. Fund movements

| | Balance at 1 April 2021 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 March 2022 £ |
|---------------------|--|-------------------------------------|-------------------------------------|------------------------|---|
| Unrestricted | | | | | |
| General | 1,836,464 | 383,267 | (353,891) | - | 1,865,840 |
| Restricted | | | | | |
| Building fund | - | 42,113 | (30,503) | - | 11,610 |
| Children's work | - | 876 | (876) | - | - |
| Global reach | - | 10,421 | (10,421) | - | - |
| Beyond Ourselves | <u>3,411</u> | <u>1,165</u> | <u>(3,093)</u> | <u>-</u> | <u>1,483</u> |
| | <u>1,839,875</u> | <u>437,842</u> | <u>(398,784)</u> | <u>-</u> | <u>1,878,933</u> |
| | <u><u>1,839,875</u></u> | <u><u>437,842</u></u> | <u><u>(398,784)</u></u> | <u><u>-</u></u> | <u><u>1,878,933</u></u> |
| | | | | | |
| | Balance at 1 April 2020 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 March 2021 £ |
| Unrestricted | | | | | |
| General | 1,552,318 | 370,979 | (298,712) | 211,879 | 1,836,464 |
| Restricted | | | | | |
| Building fund | 146,592 | 89,378 | (24,091) | (211,879) | - |
| Children's work | - | 180 | (180) | - | - |
| Beyond Ourselves | <u>4,147</u> | <u>720</u> | <u>(1,456)</u> | <u>-</u> | <u>3,411</u> |
| | <u>1,703,057</u> | <u>461,257</u> | <u>(324,439)</u> | <u>-</u> | <u>1,893,875</u> |
| | <u><u>1,703,057</u></u> | <u><u>461,257</u></u> | <u><u>(324,439)</u></u> | <u><u>-</u></u> | <u><u>1,893,875</u></u> |

The General reserve represents the free funds of the charity which are not designated for particular purposes.

The Building fund has been created in connection with development of the Durham site.

The Children's work fund is restricted to work with children in the Church and the local community.

The Global reach initiative is to assist outreach to other nations.

Beyond Ourselves is a fund which is restricted for use in home and overseas missionary and relief work. This includes relief to individuals with debt management issues.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(continued)

| 15. Analysis of net assets | Fixed assets | Net current assets | Creditors due over one year | Total 2022 |
|----------------------------|-----------------------------|-----------------------------|-----------------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General | 2,307,721 | 362,304 | (837,046) | 1,865,840 |
| Restricted funds | | | | |
| Building fund | - | 11,610 | - | 11,610 |
| Beyond Ourselves | - | 1,483 | - | 1,483 |
| | 2,307,721 | 375,397 | (804,185) | 1,878,933 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

16. Subsidiary undertaking

The Durham Centre Limited recommenced trading during the year providing a range of flexible, modern, well-resourced meeting solutions. Trading was however limited, initially because of Government imposed restrictions arising from the Covid-19 pandemic followed by a slow return of normal business. A net loss of £19,065 arose in the year. The charitable company has undertaken to continue to support the subsidiary undertaking as its business continues to recover from the restrictions.

17. Reconciliation of net debt

| | 31 March 2021 | Cash flows | Non cash movements | 31 March 2022 |
|--------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Cash and cash equivalents | 240,367 | 55,512 | 0 | 295,879 |
| Bank loans due within one year | -35,700 | 29,715 | -32,861 | -38,846 |
| Bank loans due over one year | -837,046 | - | 32,861 | -804,185 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Net debt | -632,379 | 85,227 | 0 | -547,152 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

EMMANUEL CHURCH DURHAM

England & Wales - Charity number 1120286

Accounts

Company Registration number 06101946
Charity Registration number 1120286



EMMANUEL CHURCH DURHAM

(a Company limited by guarantee without Share Capital)

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 March 2021

Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

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EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 March 2021.

Reference and administrative details

Company number: 06101946

Charity number: 1120286

Principal address: The Durham Centre
Belmont Industrial Estate
Durham
DH1 1TN

Independent examiner: John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne, NE4 7YD

Bankers: CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent, ME19 4JQ

Barclays Bank PLC
6 Market Place
Durham
DH1 3ND

Solicitors: Richmond Partnership
19 Old Elvet
Durham
DH3 3TA

Directors

The following directors of the charitable company (who are its trustees for the purposes of charity law) served during the year and up to the date of approval of this report:

| | |
|--------------|-------------------------------------|
| G A Bell | Executive Chairman and Senior Elder |
| I J Portwine | Executive Director and Elder |
| J E Booth | Non-executive and Treasurer |
| W R Byng | Non-executive lay member |

Company secretary: A J Biggs

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Structure, governance and management

Governing document

Emmanuel Church Durham is a Company limited by guarantee, governed by its Memorandum and Articles of Association dated 13 February 2007.

The charitable company was incorporated in order to provide a distinct legal entity to carry out the activities of Emmanuel Church Durham which since 1991 had been undertaken through a charitable trust. The company was registered with the Charity Commission on 26 July 2007. On 1 December 2007 the entire assets, liabilities and undertakings of the Emmanuel Church Durham charitable trust were transferred to the charitable company.

There are currently three members, each of whom agree to contribute £1 in the event of the charitable company winding up.

Appointment and retirement of directors

Directors are required to sign a confirmation that they adhere to the articles of faith contained within the company's Memorandum and Articles of Association and that they understand their obligations as directors. Directors serve for a fixed term of two years and are eligible for reappointment.

Directors' induction and training

The Charity Commission website and publications are used to keep the directors up to date with developments in the charitable sector. The necessity for formal training sessions for individual directors is reviewed each year.

Organisation

The charitable company operates primarily in the County Durham area, with links with churches and Christian organisations both in the UK and internationally. Church membership is voluntary and free.

The charitable company is overseen by a board of directors, which consists of the two of the five leaders – Elders - of Emmanuel Church and, currently, two lay members. The Elders of the Church are responsible for the day-to-day running of the charitable company, including the direction of the Church and the pastoral care of the membership. The lay members include the Treasurer and other persons operating in a non-executive capacity.

The board of directors meets at least quarterly, to review the finances, risk management, legal issues and other matters affecting the charitable company. A separate remuneration sub-committee operates consisting of the non-executive directors who do not receive payments from the charitable company to review the financial provision for the two full-time executive directors.

In setting our objectives and planning our activities, the directors have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Risk management

The board of directors considers the major risks to which the charitable company is exposed and identifies the appropriate mitigation. To this end the charity has taken out employer's liability, public liability and buildings insurance.

A strict child protection policy is implemented; all voluntary helpers who work with children are subject to criminal records bureau checks and must comply with detailed guidelines for the care of children. In order to ensure the safety of the Church members and general public a team of stewards operate during Sunday meetings. A fire evacuation plan has been drawn up.

A system of financial control exists to prevent the loss of the charity's assets through fraud and mismanagement. Financial reports are made at least quarterly to the Board.

Objectives, activities and achievements

The objectives of the charitable company are:-

- a) The advancement of the Christian Faith;
- b) The relief of persons who are in a condition of need or hardship;
- c) The provision of instruction in the Christian Faith.

The vision of the Church is - *To be a growing charismatic family church with a world vision.*

This year will be marked in history as the year of the COVID-19 global pandemic. This has obviously had a huge impact on our activities and achievements of a church. We have faced many challenges but are pleased to say that we have overcome those and feel that we have done well in adapting to the circumstances whilst maintaining our charitable aims, and compliance with government restrictions. We would firstly like to commend our leaders and Church members for their patience and adaptability over the year.

Our Sunday morning meetings have moved online with a pre-recorded You-tube video being released involving worship, notices and a sermon, this was followed by a separate broadcast for our children. When allowed we met in person at The Durham Centre (TDC), which was adapted to be COVID secure, with a limit on numbers, contact details recorded, no singing, one-way systems and hand sanitisers. We continued with an online presence when we met in person. Even during this time, we saw growth, with at times 20% of the in-person congregation being new people.

All of our smaller meetings: Leaders, Emmanuel Community groups, prayer, Students, kids, moved onto Zoom and were embraced by the majority of people. The use of Zoom also opened up opportunities to connect more freely and regularly with our friends across the nations which is an aspect that we wish to see develop going forward.

Because of the lack of opportunities of in-person meetings we furloughed for some period staff involved in student and kids' provision

During the year we were able to produce a series of twelve videos highlighting the social action work of the Church community. Many of these were able to adapt to the circumstances. For example, "Make Lunch" moved to a meals on wheels model which maintained some contact with the families we know in the community.

Conference trade during the year has been halted. We are grateful to government grants and the furlough scheme which has avoided any need for redundancies. As a consequence of this, TDC incurred losses in the year.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Objectives, activities and achievements (continued)

Despite the lockdown we pushed on with the development of The Emmanuel Centre (TEC). Phase 1 development to establish of a 500-seater auditorium was not completed because of a design fault with the heating system which rendered it not fit for purpose. We were unable to launch the venue as planned on Easter Day 2021. We hope that this can be rectified promptly. We were however able to have a “Foundations Day” where members were able to remotely contribute; the event has been recorded and will be used in the future.

Financial review

We remain extremely grateful for the strength of our voluntary income, both regular giving and giving for specific purposes. The Durham Centre incurred losses in the year as a result of Government imposed restrictions to its trading arising from the Covid-19 pandemic. Both TDC and the Church made use of the Coronavirus Job Retention Scheme and both have taken on Bounce back loans to assist with the recovery of activities. We achieved a surplus in the year on unrestricted funds of £72,267, compared with a deficit of £36,588 in the previous year.

The development of The Emmanuel Centre continued in the year funded by the Building fund and by an increased bank loan. We benefitted from a six months capital repayment holiday on our bank loan. The problem with the heating system has delayed this asset being put into use.

Our strong voluntary income and financial position, together with UK Government support, has enabled us to withstand the financial effects of the Covid-19 pandemic and altered ways of working. The directors would again like to thank everyone concerned with bringing this about

Investment policy

As the guaranteed unrestricted funds are minimal, there is little opportunity for investment. The directors have considered the most appropriate policy for investing cash resources and have decided that bank deposits meet their requirements of a reasonable rate of return, without significant capital risk, and with predictable accessibility to the funds. This policy is reviewed regularly.

Reserves policy

It remains the directors’ policy to maintain free reserves of between six to twelve months fixed committed expenditure. Free reserves at 31 March 2021 were £361,016 (2020: £346,909). The directors are satisfied that this provides a reasonable level of reserves to hold for our ongoing activities and commitments, including trading activities at The Durham Centre.

Plans for future periods

TDC business is beginning to see the first shoots of growth as it is able to trade again. As confidence returns to business, we feel we are in an ideal position to serve them. With the potential movement away from office to home-based work we see a real opportunity in being able to provide a context to bring people together again.

The student community have shown great resilience during this period, with many unable to be in Durham relying on online access. Many have not had the exposure to the life of the Church that we would want to provide. We are looking at ways of strengthening the community next year as well as see it grow.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

REPORT OF THE DIRECTORS
(continued)

Plans for future periods (continued)

We are hoping to launch a new area of ministry next year which we believe will be attractive to students as well as others. “Emmanuel Global Reach” will formalise our international mission opportunities with the establishment of “Emmanuel School for International Ministry”. With the tagline of *School - Send - Support*, our vision is to be able to create a pipeline of training from Durham to the mission fields of the world.

Movement into TEC is important for our growth potential and raising funds to be able to develop the second phase which will give a foyer, toilets, kitchen and meeting rooms will be ongoing.

Post-COVID we are looking to build freshly with the community and re-lay foundations as well as revisit core values of the Church envisioning people for the new future that is ahead.

Statement of the directors' responsibilities in relation to the financial statements

The directors are responsible for preparing the Directors' 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 30 January 2022 and signed on their behalf by:

G A Bell
Chair

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS ON THE UNAUDITED
FINANCIAL STATEMENTS OF EMMANUEL CHURCH DURHAM**

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 March 2021, which are set out on pages 7 to 18.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors 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 your 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 report

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales.

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 accounting 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.

**John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD**

30 January 2022

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2021

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| INCOME FROM: | | | | | |
| Giving | 2 | 342,517 | 90,278 | 432,795 | 572,691 |
| Charitable activities | | | | | |
| Bible weeks, weekends away and events | | 315 | - | 315 | 4,547 |
| Other trading activities | | | | | |
| The Durham Centre – covenanted donation | 16 | - | - | - | 18,525 |
| Investments | 3 | 173 | - | 173 | 379 |
| Coronavirus job retention scheme grants | | 27,974 | - | 27,974 | - |
| | | _____ | _____ | _____ | _____ |
| Total | | 370,979 | 90,278 | 461,257 | 596,142 |
| | | ===== | ===== | ===== | ===== |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 4 | 298,712 | 25,727 | 324,439 | 502,950 |
| | | _____ | _____ | _____ | _____ |
| Total | | 298,712 | 25,727 | 324,439 | 502,950 |
| | | ===== | ===== | ===== | ===== |
| NET INCOME/ (EXPENDITURE) | 5-7 | 72,267 | 64,551 | 136,818 | 93,192 |
| Gross transfers between funds | | <u>211,879</u> | <u>(211,879)</u> | - | - |
| NET MOVEMENT IN FUNDS | | 284,146 | (147,328) | 136,818 | 93,192 |
| Total funds brought forward | | 1,552,318 | 150,739 | 1,703,057 | 1,609,865 |
| | | _____ | _____ | _____ | _____ |
| Total funds carried forward | 14/15 | 1,836,464 | 3,411 | 1,839,875 | 1,703,057 |
| | | ===== | ===== | ===== | ===== |

The charitable company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the charitable company are classed as continuing.

The notes on pages 11 to 18 form part of these financial statements.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

BALANCE SHEET

AT 31 MARCH 2021

| | Note | 2021 | | 2020 | |
|---|--------------|---------|------------------|---------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 8 | | 2,348,187 | | 1,969,418 |
| Investments | 9 | | <u>7</u> | | <u>7</u> |
| | | | 2,348,194 | | 1,969,425 |
| Current assets | | | | | |
| Debtors | 10 | 147,048 | | 119,744 | |
| Cash and bank and in hand | 11 | | <u>240,367</u> | | <u>395,369</u> |
| | | | 387,415 | | 515,113 |
| Creditors: amounts falling due within one year | 12 | | <u>(58,688)</u> | | <u>(26,465)</u> |
| Net current assets | | | <u>328,727</u> | | <u>488,648</u> |
| Total assets less current liabilities | | | 2,676,921 | | 2,458,073 |
| Creditors: amounts falling due after one year | 13 | | (837,046) | | (755,016) |
| Net assets | | | <u>1,839,875</u> | | <u>1,703,057</u> |
| Funds | | | | | |
| Unrestricted | 14/15 | | 1,836,464 | | 1,552,318 |
| Restricted | 14/15 | | 3,411 | | 150,739 |
| Total funds | | | <u>1,839,875</u> | | <u>1,703,057</u> |

The Balance Sheet continues on the following page.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

BALANCE SHEET (continued)

**Directors' statements required by the Companies Act 2006
for the year ended 31 March 2021**

In approving these financial statements as directors of the company we hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;
- (b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 March 2021.
- (c) that we acknowledge our responsibilities for:
 - (1) ensuring that the company keeps adequate accounting records which comply with section 386 of the Companies Act 2006, and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved and authorised for issue by the directors on 30 January 2022:

G.A. Bell

J. Booth

I.J. Portwine

W. Byng

Company registration no. 06101946

The notes on pages 11 to 18 form part of these financial statements.

EMMANUEL CHURCH DURHAM
(a company limited by guarantee without share capital)

CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2021

| | 2021 | | 2020 | |
|---|----------------|-----------------------|-----------------|-----------------------|
| | £ | £ | £ | £ |
| Reconciliation of net income to net cash flows from operating activities | | | | |
| Net income for year | 136,818 | | 93,192 | |
| Investment income | (173) | | (379) | |
| Depreciation | 66,385 | | 67,553 | |
| Loss on disposal of fixed assets | - | | 4,556 | |
| Movement in debtors | (27,304) | | 29,751 | |
| Movement in creditors | <u>5,523</u> | | <u>(16,665)</u> | |
| Net cash inflow from operating activities | | 181,249 | | 178,008 |
| Cash flows from investing activities | | | | |
| Purchases of tangible fixed assets | (445,154) | | (614,473) | |
| Investment income | <u>173</u> | | <u>379</u> | |
| Net cash flows from investing activities | | (444,981) | | (614,094) |
| Cash flows from financing activities | | | | |
| Repayments of bank loan | (7,893) | | (40,359) | |
| Additional bank loans received | <u>116,623</u> | | <u>418,958</u> | |
| Net cash flow from financing activities | | 108,730 | | 378,599 |
| Net decrease in cash and cash equivalents | | (155,002) | | (57,487) |
| Cash and cash equivalents at start of year | | 395,369 | | 452,856 |
| Cash and cash equivalents at end of year | | <u>240,367</u> | | <u>395,369</u> |

The reconciliation of net debt arising in the year is set out in note 17.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements of the charitable company have been prepared under the historical cost convention and in accordance with the 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), the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice applicable to smaller entities. The charitable company is a public benefit entity as defined by FRS102.

The charitable company has taken the option under section 398 of the Companies Act 2006 and the Charities Act 2011 (Group Accounts) Regulations 2015 not to prepare consolidated financial statements.

The financial accounts are prepared in Sterling (£) which is the functional currency of the charitable company.

1.2 Going concern

The directors of the charitable company are satisfied that there are no material uncertainties concerning the charitable company's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.3 Fund accounting

Unrestricted funds are those available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are those that are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Designated funds are earmarked by the directors for particular purposes.

1.4 Income

Giving - Collections are recognised when received by or on behalf of the Church. Planned giving under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies are accounted for as soon as the Church is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the Church is certain. Covenanted donations from The Durham Centre are recognised on an accruals basis.

Investment income – Interest entitlements are accounted for as they accrue.

Grants - Government Grants that compensate the charitable company for expenses incurred are recognised in the statement of financial affairs on a systematic basis in the same period in which the expenses are incurred.

1.5 Expenditure

Charitable activities – The cost of charitable activities represents the cost of undertaking the charity's objectives. All expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Value added tax is not recoverable by the charitable company and as such it is included in the relevant costs in the Statement of Financial Activities.

EMMANUEL CHURCH DURHAM
(a Company limited by guarantee without Share Capital)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

(continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|----------------------------------|--------------------------------|
| Fixtures, fittings and equipment | 25% per annum reducing balance |
| Freehold property | over 20 years |
| Leasehold property | over the term of the lease |

1.7 Impairment of fixed assets

Properties, fixtures, fittings and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in the Statement of Financial Activities.

1.8 Debtors and creditors due within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses from impairment are recognised in expenditure.

1.9 Concessionary loans received

The charity initially recognises and measures concessionary loans at the amount received. The carrying amount is adjusted in subsequent years to reflect repayments and any accrued interest.

1.10 Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

1.11 Defined contribution plans

The charitable company operates a defined contribution pension scheme for its staff. The scheme and its assets are held by independent managers. The pension cost charge in the financial statements represents contributions due from the charity for the year.

1.12 Voluntary assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

(continued)

2. Income from giving

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|----------------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Building fund | - | 80,878 | 80,878 | 139,488 |
| Tithes | 252,050 | - | 252,050 | 295,264 |
| Offerings and gifts | 27,768 | 900 | 28,668 | 59,017 |
| Gift aid recoverable | 62,699 | 8,500 | 71,199 | 78,922 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 342,517 | 90,278 | 432,795 | 572,691 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

3. Investment income

| | £ | £ | £ | £ |
|---------------------------|-------------|-------------|-------------|-------------|
| Interest on cash deposits | 173 | - | 173 | 379 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 173 | - | 173 | 379 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

4. Charitable activities

| | £ | £ | £ | £ |
|-------------------------------------|-------------|-------------|-------------|-------------|
| Gifts (below) | 33,518 | - | 33,518 | 67,594 |
| Ministry fees and expenses (note 6) | 88,641 | - | 88,641 | 137,841 |
| Activities expenditure | 61,710 | 1,636 | 63,346 | 132,590 |
| Office administration | 6,659 | - | 6,659 | 15,035 |
| Insurance | 3,270 | - | 3,270 | 2,695 |
| Rates | 679 | - | 679 | 2,627 |
| Utilities | 7,223 | - | 7,223 | 6,807 |
| Bank charges | 2,133 | - | 2,133 | 1,857 |
| Depreciation | 66,385 | - | 66,385 | 67,553 |
| Repairs and maintenance | 3,020 | - | 3,020 | 12,046 |
| Legal and professional | 2,649 | - | 2,649 | 3,792 |
| Independent examiner's fees | 2,358 | - | 2,358 | 2,358 |
| Loan interest | 20,467 | - | 20,467 | 24,800 |
| Building project costs | - | 24,091 | 24,091 | 25,355 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 298,712 | 25,727 | 324,439 | 502,950 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Gifts comprise:

| | 2021 £ | 2020 £ |
|------------------------------------|-------------------|-------------------|
| India giving | - | 3,050 |
| Regions Beyond UK (note 6) | 13,000 | 18,300 |
| Ministry | 7,100 | 22,850 |
| Redeemer Church, Chester le Street | - | 19,356 |
| Needy | 13,190 | 2,210 |
| Other | 228 | 1,828 |
| | <hr/> | <hr/> |
| | 33,518 | 67,594 |
| | <hr/> <hr/> | <hr/> <hr/> |

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

(continued)

5. Staff costs

Staff costs were as follows:

| | Total 2021 | Total 2020 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Salaries and wages | 95,244 | 120,403 |
| Social security costs | 2,799 | 4,561 |
| Pension costs | <u>1,230</u> | <u>2,195</u> |
| | <u>99,273</u> | <u>127,159</u> |

No employee received emoluments above £60,000 p.a. in the year. The average number of staff employed by the charity during the year was 7 (2020: 8).

6. Directors' remuneration, related party transactions and key management personnel

Two of the directors are engaged in Ministry and in accordance with the charitable company's constitution, Ministry fees and salaries were paid to them during the year.

Ministry fees, salaries and expenses for the year were:

| | G A Bell | I J Portwine |
|-------------------|-----------------|---------------------|
| | £ | £ |
| Ministry fees | 37,484 | - |
| Ministry salaries | - | 40,060 |
| Wife's support | 3,830 | 4,980 |
| Expenses | <u>1,326</u> | <u>959</u> |

I J Portwine is also a director of Regions Beyond UK (note 4).

Key management personnel are considered to comprise the directors and elders.

7. Net income for the year

Net income is stated after charging:

| | Total 2021 | Total 2020 |
|-----------------------------|-----------------------|-----------------------|
| | £ | £ |
| Depreciation | 66,385 | 67,553 |
| Independent examiner's fees | <u>2,358</u> | <u>2,358</u> |

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

(continued)

| 8. Tangible fixed assets | Freehold property | Leasehold property | Fixtures & fittings | Total |
|---------------------------------|------------------------------|-------------------------------|------------------------------------|------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2020 | 2,275,123 | 249,014 | 143,877 | 2,668,014 |
| Additions | 418,888 | - | 26,266 | 445,154 |
| Disposals | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| At 31 March 2021 | <u>2,694,011</u> | <u>249,014</u> | <u>170,143</u> | <u>3,113,168</u> |
| Depreciation | | | | |
| At 1 April 2020 | 572,254 | 5,534 | 120,808 | 698,596 |
| Charge for the year | 57,851 | 2,767 | 5,767 | 66,385 |
| Elimination on disposal | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| At 31 March 2021 | <u>630,105</u> | <u>8,301</u> | <u>126,575</u> | <u>764,981</u> |
| Net book amount | | | | |
| At 31 March 2021 | <u>2,063,906</u> | <u>240,713</u> | <u>43,568</u> | <u>2,348,187</u> |
| At 31 March 2020 | <u>1,702,869</u> | <u>243,480</u> | <u>23,069</u> | <u>1,969,418</u> |

All assets are held to further the main objects of the charity.

9. Investments

The charitable company owns all of the seven issued shares of The Durham Centre Limited, a company registered in England; the company provides a range of flexible, modern, well-resourced meeting solutions. Further details of the subsidiary undertaking's results for the year are outlined in note 16.

10. Debtors

| | 2021 | 2020 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Accounts receivable | - | - |
| Gift aid recoverable | 66,022 | 76,414 |
| Other debtors | 30,480 | 8,747 |
| Prepayments and accrued income | 1,611 | 3,400 |
| Amount owed by subsidiary undertaking | <u>48,935</u> | <u>31,183</u> |
| | <u>147,048</u> | <u>119,744</u> |

The amount owed by the subsidiary undertaking is not due within one year.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

(continued)

11. Cash at bank and in hand

| | 2021 | 2020 |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Bank deposit accounts | 10,626 | 10,624 |
| Bank current accounts | 229,682 | 384,686 |
| Cash in hand | <u>59</u> | <u>59</u> |
| | 240,367 | 395,369 |
| | <u> </u> | <u> </u> |

12. Creditors: amounts falling due within one year

| | £ | £ |
|---------------------------------------|-------------------|-------------------|
| Bank loans (secured) | 35,700 | 9,000 |
| Trade creditors | 7,112 | 6,547 |
| Other taxes and social security costs | 1,379 | 1,829 |
| Accruals and deferred income | 3,907 | 5,699 |
| Other creditors | <u>10,590</u> | <u>3,390</u> |
| | 58,688 | 26,465 |
| | <u> </u> | <u> </u> |

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

| | £ | £ |
|----------------------|-------------------|-------------------|
| Bank loans (secured) | 837,046 | 755,016 |
| Other creditors | <u>-</u> | <u>-</u> |
| | 837,046 | 755,016 |
| | <u> </u> | <u> </u> |

The main bank loan is fully secured on the freehold and leasehold properties. It is repayable by instalments expiring in 2041. The amount due at 31 March 2021 is analysed as follows:

| | £ |
|------------------------------|-------------------|
| Within one year | 30,750 |
| between one and two years | 31,800 |
| between three and five years | 101,750 |
| after more than five years | 658,446 |
| | <u> </u> |

In the year, the charitable company took out a Government backed bounce back loan of £50,000 which is repayable over 10 years.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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14. Fund movements

| | Balance at 1 April 2020 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 March 2021 £ |
|---------------------|--|-------------------------------------|-------------------------------------|--------------------------|---|
| Unrestricted | | | | | |
| General | 1,552,318 | 370,979 | (298,712) | 211,879 | 1,836,464 |
| Restricted | | | | | |
| Building fund | 146,592 | 89,378 | (24,091) | (211,879) | - |
| Children's work | - | 180 | (180) | - | - |
| Beyond Ourselves | <u>4,147</u> | <u>720</u> | <u>(1,456)</u> | <u>-</u> | <u>3,411</u> |
| | 1,703,057 | 461,257 | (324,439) | - | 1,839,875 |
| | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> |
| | | | | | |
| | Balance at 1 April 2019 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 March 2020 £ |
| Unrestricted | | | | | |
| General | 1,396,906 | 437,781 | (474,369) | 192,000 | 1,552,318 |
| Restricted | | | | | |
| Building fund | 212,959 | 150,988 | (25,355) | (192,000) | 146,592 |
| Children's work | - | 549 | (549) | - | - |
| Beyond Ourselves | <u>-</u> | <u>6,824</u> | <u>(2,677)</u> | <u>-</u> | <u>4,147</u> |
| | 1,609,865 | 596,142 | (502,950) | - | 1,703,057 |
| | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> | <u><u> </u></u> |

The General reserve represents the free funds of the charity which are not designated for particular purposes.

The Building fund has been created in connection with development of the Durham site.

The Children's work fund is restricted to work with children in the Church and the local community.

Beyond Ourselves is a fund which is restricted for use in home and overseas missionary and relief work. This includes relief to individuals with debt management issues.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

(continued)

| 15. Analysis of net assets | Fixed assets | Net current assets | Creditors due over one year | Total 2021 |
|----------------------------|-----------------------------|-----------------------------|-----------------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General | 2,348,194 | 325,316 | (837,046) | 1,836,464 |
| Restricted funds | | | | |
| Building fund | - | - | - | - |
| Beyond Ourselves | - | 3,411 | - | 3,411 |
| | 2,348,194 | 328,727 | (837,046) | 1,839,875 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

16. Subsidiary undertaking

The Durham Centre Limited traded during the year providing a range of flexible, modern, well-resourced meeting solutions. Trading was however severely restricted as a result of the Covid-19 pandemic. A net loss of £28,571 arose in the year. The charitable company has undertaken to continue to support the subsidiary undertaking to enable it to recommence trading following the easing of Government imposed restrictions.

17. Reconciliation of net debt

| | 31 March 2020 | Cash flows | Non cash movements | 31 March 2021 |
|--------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Cash and cash equivalents | 395,369 | -155,002 | 0 | 240,367 |
| Bank loans due within one year | -9,000 | 7,893 | -34,593 | -35,700 |
| Bank loans due over one year | -755,016 | -116,623 | 34,593 | -837,046 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Net debt | -368,647 | -263,732 | 0 | -632,379 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |