

Cornerstone Church Newcastle Limited
Company Limited by Guarantee
Unaudited Financial Statements
31 December 2023

STEPHENSON COATES AUDIT LIMITED

Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

Cornerstone Church Newcastle Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2023

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Cornerstone Church Newcastle Limited

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Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 December 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name Cornerstone Church Newcastle Limited

Charity registration number 1132004

Company registration number 06946201

Principal office and registered office Maple Terrace
Newcastle upon Tyne
NE4 7SF

The trustees

M. W. Duff
J. Marsden
M. J. Nicholson
J. G. Henderson
S Oxley (Appointed 26 January 2023)
V Pestell (Appointed 26 January 2023)

Company secretary J Roux

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

Structure, governance and management

Governing Document

The charity is constituted as a company, limited by guarantee, as defined by the Companies Act 2006 (registration number 06946201); it is registered with the Charity Commission (number 1132004).

The two main governing documents are our Memorandum and Articles of Association, which outline our main structures and policies and procedures for us as an organisation.

Appointment of trustees

New trustees are always appointed and elected by members of the organisation from the existing leadership of the Church.

Cornerstone Church Newcastle Limited

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 December 2023

Structure, governance and management *(continued)*

Risk management

The trustees have identified risks and taken steps to mitigate them. Risks to buildings and contents are insured; public liability risks are insured; a child protection policy is in place, including vetting procedures; the fire safety risk has been assessed.

Objectives and activities

The main objective of the charitable company is the advancement of Christianity for the benefit of the public. We aim to do this in the following ways:

To worship God, the Father, Son and Holy Spirit

Teach the word of God (The Bible)

To proclaim that men and women should repent and believe in Jesus Christ as Saviour and Lord

To be generous to our community by sharing our Christian belief of "love your neighbour"

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

Achievements and performance

2023 was another busy year for the charity as we ran dozens of events and continued with weekly services from our Gospel Hall Church on Maple Terrace in Newcastle.

The building costs in terms of further maintenance and general utility costs remain high to ensure we have full usage and a comfortable space for our members.

As trustees we were glad to see the charity continue to build relationships in the local community with the launch of the Pop up Pantry, providing affordable items to anyone struggling with the cost of living.

As trustees, we are continually focussed on ensuring financial security for the charity as well as good governance especially relative to Health & Safety and Safeguarding.

Cornerstone Church Newcastle Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 December 2023

Financial review

Giving to the church increased during the year to £148,577 (2022: £133,022). Gift aid recovery decreased to £26,087 (2022: £32,366). Our unrestricted expenditure totalled to £212,725 (2022: £170,243).

We ended the year with free reserves of £68,909 (2022: £92,176). Our goal for reserves is to hold at least three months of unrestricted running costs.

Plans for future periods

Our Plans for 2024:

In 2024 we have scheduled to run a 10 Week Alpha course, continue to deepen relationships through our regular men's and women's meetings, monthly Prayer and worship evenings, and weekly mid-week discipleship. We will also continue with our leadership development of our senior leadership team and create more structure and intentionality on our other leadership fronts with the introduction of deacons and ministry leaders.

Easter will involve moments of deep reflection and community, ending on Sunday with a celebration. We also plan to do a 48hr fast as a church. We will have several outside voices from the movement of churches called Advance, which will help bring accountability and strengthening to the church body.

We will end our year again with our annual carols service at Wylam Brewery and community carols followed by a meal the week after. Multiple community moments will happen throughout the year in an effort to raise funds for the young people to go to Newday.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report (incorporating the directors' report) was approved on 16th October 2024 and signed on behalf of the board of trustees by:

M. J. Nicholson
Trustee

Cornerstone Church Newcastle Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Cornerstone Church Newcastle Limited

Year ended 31 December 2023

I report to the trustees on my examination of the financial statements of Cornerstone Church Newcastle Limited ('the charity') for the year ended 31 December 2023.

Responsibilities and basis of report

The trustees are also the directors of the company for the purposes of company law are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. I am qualified to undertake the examination by being a member of the Institute of Chartered Accountants in England and Wales (ICAEW).

Independent examiner's statement

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 charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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
Independent Examiner
Stephenson Coates Audit Limited
Chartered Accountants

West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

16th October 2024

Cornerstone Church Newcastle Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2023

		Unrestricted funds £	2023 Restricted funds £	Total funds £	2022 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	182,550	—	182,550	168,572
Investment income	6	136	812	948	277
Other income	7	6,772	—	6,772	6,688
Total income		<u>189,458</u>	<u>812</u>	<u>190,270</u>	<u>175,537</u>
Expenditure					
Expenditure on charitable activities	8	212,725	45,612	258,337	207,377
Total expenditure		<u>212,725</u>	<u>45,612</u>	<u>258,337</u>	<u>207,377</u>
Net expenditure		<u>(23,267)</u>	<u>(44,800)</u>	<u>(68,067)</u>	<u>(31,840)</u>
Other recognised gains and losses					
Gains from revaluation of fixed assets		—	—	—	246,594
Net movement in funds		<u>(23,267)</u>	<u>(44,800)</u>	<u>(68,067)</u>	<u>214,754</u>
Reconciliation of funds					
Total funds brought forward		338,770	79,682	418,452	203,698
Total funds carried forward		<u>315,503</u>	<u>34,882</u>	<u>350,385</u>	<u>418,452</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 8 to 15 form part of these financial statements.

Cornerstone Church Newcastle Limited

Company Limited by Guarantee

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	12	250,000	250,000
Current assets			
Debtors	13	16,447	9,233
Cash at bank and in hand		87,272	160,593
		<u>103,719</u>	<u>169,826</u>
Creditors: amounts falling due within one year	14	<u>3,334</u>	<u>1,374</u>
Net current assets		100,385	168,452
Total assets less current liabilities		350,385	418,452
Net assets		<u>350,385</u>	<u>418,452</u>
Funds of the charity			
Restricted funds		34,882	79,682
Unrestricted funds:			
Revaluation reserve		246,594	246,594
Other unrestricted income funds		68,909	92,176
Total unrestricted funds		315,503	338,770
Total charity funds	16	<u>350,385</u>	<u>418,452</u>

For the year ending 31 December 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The statement of financial position
continues on the following page.

The notes on pages 8 to 15 form part of these financial statements.

Cornerstone Church Newcastle Limited

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 December 2023

These financial statements were approved by the board of trustees and authorised for issue on 16th October 2024, and are signed on behalf of the board by:

M. J. Nicholson
Trustee

The notes on pages 8 to 15 form part of these financial statements.

Cornerstone Church Newcastle Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Maple Terrace, Newcastle upon Tyne, NE4 7SF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund.

Incoming resources

Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Cornerstone Church Newcastle Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Resources expended

Expenditure

Expenditure on charitable activities includes the direct costs of service provision, support costs and management and administration costs. Salary costs are allocated on the basis of time spent in these areas.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Cornerstone Church Newcastle Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Cornerstone Church Newcastle Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Cornerstone Church Newcastle Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Tithes	148,577	—	148,577
Gifts	7,886	—	7,886
Gift aid	26,087	—	26,087
	<u>182,550</u>	<u>—</u>	<u>182,550</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Tithes	130,332	2,690	133,022
Gifts	684	2,500	3,184
Gift aid	32,216	150	32,366
	<u>163,232</u>	<u>5,340</u>	<u>168,572</u>

6. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Bank interest receivable	<u>136</u>	<u>812</u>	<u>948</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Bank interest receivable	<u>30</u>	<u>247</u>	<u>277</u>

7. Other income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other income	<u>6,772</u>	<u>6,772</u>	<u>6,688</u>	<u>6,688</u>

Cornerstone Church Newcastle Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Wages and Salaries	117,298		117,298
Rent	225		225
Utilities	6,525		6,525
Insurance	4,000		4,000
Repairs and establishment costs	37,556	45,612	83,168
Legal and accountancy fees	1,544		1,544
Office costs	8,270		8,270
Sundries	3,556		3,556
Ministry Costs	22,663		22,663
Giving	11,088		11,088
	<u>212,725</u>	<u>45,612</u>	<u>258,337</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Wages and Salaries	86,476		86,476
Rent	4,771		4,771
Utilities	2,109		2,109
Insurance	1,492		1,492
Repairs and establishment costs	8,718	24,106	32,824
Legal and accountancy fees	3,234	13,028	16,262
Office costs	13,382		13,382
Sundries	1,046		1,046
Ministry Costs	28,125		28,125
Giving	20,890		20,890
	<u>170,243</u>	<u>37,134</u>	<u>207,377</u>

9. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>850</u>	<u>850</u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	107,208	78,046
Social security costs	3,444	1,723
Employer contributions to pension plans	6,646	6,707
	<u>117,298</u>	<u>86,476</u>

Cornerstone Church Newcastle Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

The average head count of employees during the year was 7 (2022: 5). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Ministry	5	3
Support staff	2	2
	<u>7</u>	<u>5</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2023 No.	2022 No.
£60,000 to £69,999	–	1
£70,000 to £79,999	1	–
	<u>1</u>	<u>1</u>

11. Trustee remuneration and expenses

Employment costs include payroll costs of £71,383 (2022: £64,634) for M W Duff, a trustee and £2,599 (2022: £3,427) in respect of his wife. Also includes payroll costs of £20,450 (2022: 6,458) for J Marsden, a trustee.

12. Tangible fixed assets

	Land and buildings £
Cost	
At 1 January 2023 and 31 December 2023	<u>250,000</u>
Depreciation	
At 1 January 2023 and 31 December 2023	<u>–</u>
Carrying amount	
At 31 December 2023	<u>250,000</u>
At 31 December 2022	<u>250,000</u>

13. Debtors

	2023 £	2022 £
Gift aid receivable	12,966	2,818
Other debtors	3,481	6,415
	<u>16,447</u>	<u>9,233</u>

14. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,358	–
Accruals and deferred income	1,976	1,374
	<u>3,334</u>	<u>1,374</u>

Cornerstone Church Newcastle Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

15. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,646 (2022: £6,707).

16. Analysis of charitable funds

Unrestricted funds

	At 1 January 2023	Income	Expenditure	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	92,176	189,458	(212,725)	–	68,909
Revaluation reserve	246,594	–	–	–	246,594
	<u>338,770</u>	<u>189,458</u>	<u>(212,725)</u>	<u>–</u>	<u>315,503</u>

	At 1 January 2022	Income	Expenditure	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	92,469	169,950	(170,243)	–	92,176
Revaluation reserve	–	–	–	246,594	246,594
	<u>92,469</u>	<u>169,950</u>	<u>(170,243)</u>	<u>246,594</u>	<u>338,770</u>

Restricted funds

	At 1 January 2023	Income	Expenditure	Gains and losses	At 31 December 2023
	£	£	£	£	£
Building Fund	<u>79,682</u>	<u>812</u>	<u>(45,612)</u>	<u>–</u>	<u>34,882</u>

	At 1 January 2022	Income	Expenditure	Gains and losses	At 31 December 2022
	£	£	£	£	£
Building Fund	<u>111,229</u>	<u>5,587</u>	<u>(37,134)</u>	<u>–</u>	<u>79,682</u>

Cornerstone Church Newcastle Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	250,000	–	250,000
Current assets	68,837	34,882	103,719
Creditors less than 1 year	(3,334)	–	(3,334)
Net assets	315,503	34,882	350,385

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	250,000	–	250,000
Current assets	90,144	79,682	169,826
Creditors less than 1 year	(1,374)	–	(1,374)
Net assets	338,770	79,682	418,452