

**TRANSFORMING CHURCHES & COMMUNITIES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR
THE YEAR ENDED 31 AUGUST 2023**

Transforming Churches and Communities
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for the Year Ended 31 August 2023

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Transforming Churches and Communities
Administrative Information
for the Year Ended 31 August 2023

DIRECTORS

Revd Cathy Bird
Kristian Main (chair)
Sandra Waddington
Rev Michael Tindsley

Note: following the end of this business year Rev Tindsley and Kristian Main both stepped down, in January 24 and September 23 respectively. They were replaced by Stephanie Roux and Rev Caroline Wickens in December 23. Rev Caroline Wickens took over as chair.

KEY STAFF

Abigail Parr

**REGISTERED OFFICE AND
PRINCIPAL PLACE OF BUSINESS**

Unit 16, Wesley Centre
Royce Road
Manchester
M15 5BP

INDEPENDENT EXAMINER

Leanne Nield ACA
Arc Accountancy Solutions Limited
51 Laverton Road
Lytham St. Annes
Lancashire
FY8 1EN

BANKERS

Unity Trust Bank plc
Nine Brindleyplace
Birmingham B1 2HB

Transforming Churches and Communities
Trustees' and Directors' annual report
for the Year Ended 31 August 2023

The trustees present their annual report together with the financial statements of the charity for the year ended 31st August 2023.

REPORTING FRAMEWORK

The financial statements comply with the Charities Act 2011, the CIO governing document, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition – October 2019).

OBJECTIVES AND ACTIVITIES

Charitable objects

Charity's objectives are:

1. To promote any charitable purpose for the benefit of the public, principally but not exclusively in the geographical area covered by The Methodist Church in Britain and its environs (hereafter called the "area of benefit") and, in particular, build the capacity of third sector organisations including Methodist churches, other Christian denominations and other faith communities and provide them with the necessary support, information and services to enable them to pursue or contribute to any charitable purpose, where,
 - a. "third sector" means charities, voluntary organisations and social enterprises;
 - b. "charities" are organisations established for exclusively charitable purposes in accordance with the law of England and Wales, including Methodist Churches, other Christian denominations and other faith communities;
 - c. "voluntary organisations and social enterprises" are independent organisations, which are established for purposes that add value to the community, and which are not permitted by their constitution to make a profit for private distribution. Voluntary organisations and social enterprises do not include local government or other statutory authorities.
2. To promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in achievement of the above purposes within the area of benefit.

Activities

The Charity achieves its objectives by the delivery of information, advice and guidance (IAG), consultancy, project management and other activities.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The charity relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees and charges the trustees give consideration to the accessibility to activities for individuals and organisations with low income.

ACHIEVEMENTS AND PERFORMANCE

The activities of TCC are mainly based on outreach support provided for on a needs led basis. The mainstay of the service is organisational and community development. The fundamental belief is that TCC is an enabler and seeks to empower the people it works with to develop their skills, knowledge and experience to do their best for their members and communities. Sustainability and self-determination is always at the forefront of our support delivery.

TCC's main activities are:

1. Information, Advice and Guidance (IAG) Service:

The IAG service provides a range of, mainly, electronic based resources accessed through our website. This includes policy documents, fact sheets and useful information on current funding and other organisational development opportunities.

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A regular, monthly, email bulletin is circulated to our contacts, sharing good practice, funding opportunities and training opportunities.

2. Consultancy Service:

The consultancy service provides a greater level of in-depth support. The needs that are identified through the first level process will often lead to an increased range of support and will almost certainly be a longer-term relationship. This service has a cost attributed to it, whether it is a direct payment to TCC, as the training or consultancy deliverer, or it may include engaging external consultants with the necessary skills, knowledge and experience that TCC may not have, to ensure the most appropriate level of support. In either case TCC will manage the support agreed with the beneficiary.

3. Project Management:

TCC provides a comprehensive project management service for organisations, churches and projects. The range of the services can be as small or as large as the organisation requires.

4. Service support

TCC provides business as usual support to churches, Methodist Districts and Circuits in matters of treasury, bookkeeping and property management.

We also continue to support our existing activities and ensure that as many people across the North West and beyond know of our work and services on offer. In order to achieve this, we constantly share our successes, attend numerous events such as Synods and Methodist Conference, share a monthly e-bulletin and constantly increase the mailing list.

FINANCIAL REVIEW

Overview

The charity had a shortfall for the year on unrestricted funds of £3,938 and reserves carried forward of £381.

Risk management

The Trustees have identified the major risks facing the Charity and have taken steps to mitigate those risks.

Reserves

The reserves policy is to hold, in a designated fund, three months of expenditure. Although the financial position is improving we have not been able to accumulate three months' expenditure, but will endeavour to do this by the end of the financial year. At the year-end our free reserves (unrestricted funds not invested in fixed assets or otherwise designated) were £(1,872) and there was a designated fund of £2,253 for severance pay.

Going concern

The Directors have considered whether the charity is entitled to prepare the accounts on the going concern basis, they have concluded that it is appropriate because:

- The budget for 2023/24 and forecast update at March 2024 shows that the charity is expected to substantially improve its position in 2023/24, increasing reserves by at least £30,000
- There have been substantial orders since year end;
- The charity is able to meet its liabilities as they fall due.

FUTURE PLANS

- To continue to increase our profile to Methodist Church Districts outside the North West
- Seek to develop our historic offerings to better suit the needs of our clients.
- Seek strategic development in a way that best serves the needs of our clients and the changing situation of the Methodist Church

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- Form closer relationships with potential partner organisations such as the Learning Network to ensure an efficient use of time, and coverage for the needs of our clients.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is a Charitable Incorporated Organisation (CIO), number 8193683, its CIO-Association conversion is dated 9 November 2018.

It was registered with the Charity Commission as a charity with effect from 8 January 2013 with the charity number 1150394.

Although membership of the charity is not restricted, the current membership comprises all members of the District Council of the Manchester and Stockport District of the Methodist Church of Great Britain, to whom the CIO is responsible by virtue of the Methodist Church Act 1976 and the Constitutional Practice and Discipline of the Methodist Church (as approved by its governing body, the Conference of the Methodist Church of Great Britain). This clarifies the statements made in earlier Trustees Reports regarding membership of the charity.

An individual ceases to be a member of the charity when they cease to be a member of the District Council.

Appointment of Directors and Trustees

The Directors, who are the Trustees, are appointed by the members in general meeting and are collectively known as the Board. At each AGM, one third of the Directors retire by rotation, being the longest in office and are eligible for re-election. The Board has the power to co-opt trustees, but such people only hold office until the next AGM, and do not count in determining those retiring by rotation but are eligible for election.

The Trustees who served during the year, together with any changes up to the date of approving this report are listed on page 1.

Trustee recruitment, induction and training

Trustees are recruited for their commitment and the skills and knowledge they can bring to the organisation. All trustees receive induction information and training as appropriate to their needs and there is an opportunity to access on-going training for personal development.

Register of interests

Trustees are required to complete a form on appointment, which is updated annually, registering their interests, including the membership of other voluntary organisations. The Board procedures ensure that Trustees do not participate in decisions in which they have an interest.

Organisation

The Board, which must not be less than three members but is not subject to any upper limit, administers the Charity and meets as necessary during the year.

The day-to-day operations of the Charity are the responsibility of the Senior Development Manager to whom the Trustees delegate authority for operational matters including finance, employment and development, within the overall strategy agreed by the Board.

Co-operation with other organisations/charities

Whilst the Charity's income derives almost exclusively from the Methodist Church, we have a number of operational and strategic links with other Charities and charitable projects who share our commitment to public benefit. We also work with churches from other Christian denominations, and in the past year have done some small projects for the United Reform Church and the Church of England. These are however very much in the minority.

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Trustees' and Directors' annual report
for the Year Ended 31 August 2023

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the CIO and of the incoming resources and application of resources, including the income and expenditure, of the CIO for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102) (second edition October 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the CIO will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable incorporated organisation and enable them to ensure that the financial statements comply with the relevant legislation. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees and signed on its behalf by:

caroline wickens

19.03.2024

Rev. Caroline Wickens (Chair)

Date:

Transforming Churches and Communities
Independent Examiner's Report
for the Year Ended 31 August 2023

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31st August 2023 which are set out on pages 7 – 16.

Responsibilities and basis of report

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

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

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Leanne Nield ACA
Arc Accountancy Solutions Limited
51 Laverton Road
Lytham St. Annes
Lancashire
FY8 1EN

Date:2/4/24.....

Transforming Churches and Communities
Statement of Financial Activities
for the Year Ended 31 August 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Restated Total 2022* £
Incoming resources from generated funds:					
Donations and Legacies	2	10,000	19,875	29,875	15,075
Charitable activities	3	73,791	-	73,791	85,325
Other income	4	21,925	-	21,925	20,129
TOTAL INCOME		105,716	19,875	125,591	120,529
EXPENDITURE					
Expenditure on charitable activities	5	109,654	19,875	129,529	128,571
TOTAL EXPENDITURE		109,654	19,875	129,529	128,571
NET INCOME BEFORE TRANSFERS	6	(3,938)	-	(3,938)	(8,042)
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS	14	(3,938)	-	(3,938)	(8,042)
TOTAL FUNDS BROUGHT FORWARD	14	4,319	-	4,319	12,361
TOTAL FUNDS CARRIED FORWARD	14	381	-	381	4,319

* see note 21 for prior year adjustment details

The notes on pages 9 to 16 form part of these financial statements.

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Balance Sheet
for the Year Ended 31 August 2023

	Notes	2023 £	2023 £	Restated 2022* £	Restated 2022* £
FIXED ASSETS					
Tangible fixed assets	9		-		-
CURRENT ASSETS					
Debtors	11	7,916		5,534	
Cash at Bank and in Hand	10	7,059		27,631	
		<u>14,975</u>		<u>33,165</u>	
CREDITORS					
Amounts falling due in one year	12	<u>14,594</u>		<u>28,846</u>	
NET CURRENT ASSETS			<u>381</u>	<u>4,319</u>	
NET ASSETS			<u>381</u>	<u>4,319</u>	
FUNDS					
Unrestricted	14, 15		381	4,319	
TOTAL FUNDS CARRIED FORWARD			<u>381</u>	<u>4,319</u>	

* see note 21 for prior year adjustment details

These financial statements have been prepared in accordance with the provisions applicable to the current legislation.

For the year ending 31 August 2023, the CIO was entitled to exemption from audit and are as such have been independently examined.

Directors' responsibility

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

The notes on pages 9 to 16 form part of these financial statements.

Approved by the Board and authorised for issue on: 19.03.2024
And signed on their behalf by:

caroline wickens

Rev. Caroline Wickens (Chair)

Transforming Churches and Communities

Notes to the Financial Statements

for the Year Ended 31 August 2023

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities Act 2011 and the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019). The financial statements have been prepared under the historical cost convention.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

Income recognition

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:

Grants, whether of a capital or revenue nature, are recognised when the Charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

Donations from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

Earned income is measured at the fair value of the consideration received or receivable for services and goods supplied, net of discounts and VAT.

Deferred income

Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

Expenditure and irrecoverable VAT

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

Costs of raising funds	Including those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.
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Charitable activities	Costs of undertaking the work of the charity.
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The Charity is not registered for VAT and cannot recover any input tax charged. Costs are stated inclusive of VAT.

Allocation of support costs

Support costs are those functions which assist the work of the charity either by supporting the delivery of charitable activities or by supporting the generation of funds. They include office costs, depreciation, other support costs and governance costs as set out in note 4.

Tangible fixed assets and depreciation

Individual assets costing more than £1,000 are capitalized at cost and are depreciated over their estimated useful lives on a straight line basis as set out below.

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Notes to the Financial Statements

for the Year Ended 31 August 2023

1. ACCOUNTING POLICIES (continued)

Depreciation rates are as follows:

Computer equipment	30% straight line
Other equipment	20% straight line

Debtors

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provision are normally recognised at their settlement amount.

Financial instruments

The Charity has only basic financial instruments which are initially recorded at costs, and with the exception of investments (as set out above) subsequently measured at their settlement value.

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.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Restated 2022* £
Core grant – The Methodist Church – North West Districts	10,000	19,875	29,875	15,075
	10,000	19,875	29,875	15,075

* see note 21 for prior year adjustment details

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	2022 £
Project fees and charges	73,791	-	73,791	73,575
Other grants won for project work – paid from Circuits/Districts	-	-	-	11,750
	73,791	-	73,791	85,325

Transforming Churches and Communities

Notes to the Financial Statements

for the Year Ended 31 August 2023

4. OTHER INCOME

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Restated 2022* £
Salary recharge income	21,925	-	21,925	17,926
HMRC job retention grant	-	-	-	2,203
	21,925	-	21,925	20,129

* see note 21 for prior year adjustment details

5. CHARITABLE EXPENDITURE

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Restated 2022* £
Direct costs				
Salaries	100,645	19,875	120,520	125,534
Project and travel costs	2,966	-	2,966	3,398
Premises & insurance	742	-	742	989
Support costs & governance				
Office costs	3,547	-	3,547	3,541
Depreciation	-	-	-	261
Other support costs	104	-	104	188
Governance costs	1,650	-	1,650	(5,340)
	109,654	19,875	129,529	128,571

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	2022 £
Governance costs comprise:				
Accountancy, legal & professional	1,650	-	1,650	1,310
VAT repayment liability	-	-	-	(6,650)
	1,650	-	1,650	(5,340)

* see note 21 for prior year adjustment details

6. DETAILS OF CERTAIN TYPES OF EXPENDITURE

	2023 £	2022 £
Fees for the examination of the accounts:		
Independent examiner's fees		
- Report	1,200	250
- Other accountancy services	-	750

7. STAFF INFORMATION

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Restated 2022* £
a) Employees				
Salaries and wages	94,456	18,653	113,109	116,275
Employer's pension contributions	1,952	385	2,337	2,452
Employer's NI contributions	4,237	837	5,074	6,807

* see note 21 for prior year adjustment details

No employees earned more than £60,000 p.a. in either year.

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Notes to the Financial Statements
for the Year Ended 31 August 2023

7. STAFF INFORMATION (continued)

b) Key management personnel

The key management of the charity comprise the trustees and senior staff (as set out on page 1)

The trustees do not receive any remuneration for their services.

The total employee benefits of other key management were as follows:

2023	2022
£	£
23,587	42,284

c) Average staff numbers

The average number of employees was as follows:

	2023	2022
	Average number	Average number
Employed solely within the charity	5	5
Employed on joint contracts of employment	1	1
	6	6

The salary costs of the employees who are on a joint contract of employment are paid in full by the other party and the monies received are included as income as well as the salary costs in this charity.

8. TRUSTEE REMUNERATION AND BENEFITS

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related party.

No trustee expenses have been incurred.

9. TANGIBLE FIXED ASSETS

	Equipment & fittings £	Total £
Cost or valuation		
As at 1 September 2022	6,682	6,682
As at 31 August 2023	6,682	6,682
Depreciation		
As at 1 September 2022	6,682	6,682
Charge for the year	-	-
As at 31 August 2023	6,682	6,682
Net Book Value		
As at 31 August 2023	-	-
As at 31 August 2022	-	-

10. CASH AT BANK AND AT HAND

	2023 £	2022 £
Cash at bank and on hand	7,059	27,631
	7,059	27,631

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Notes to the Financial Statements
for the Year Ended 31 August 2023

11. DEBTORS

	2023	2022
	£	£
Grant and fees receivable	7,698	5,191
Prepayments	218	343
	<u>7,916</u>	<u>5,534</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022*
	£	£
Social security and other taxes	-	1,696
Grants and income in advance (note 13 below)	10,810	9,925
Accruals	3,784	1,074
Other Creditors	-	16,152
	<u>14,594</u>	<u>28,846</u>

* see note 21 for prior year adjustment details

13. DEFERRED INCOME

District grant income in the current and prior year has been deferred as it is restricted to offset against consultancy work performed by the charity within the District, which the terms had not been met by the end of the accounting year.

Movement in deferred income account:

	2023	2022*
	£	£
Balance at the start of the reporting period	9,925	-
Amounts added in current period	10,810	9,925
Amounts released to income from previous periods	9,925	-
Balance at the end of the reporting period	<u>10,810</u>	<u>9,925</u>

* see note 21 for prior year adjustment details

14. MOVEMENT IN FUNDS

	Restated 01/09/2022*	Income	Expenditure	Transfers	31/08/2023
	£	£	£	£	£
Unrestricted funds:					
General fund	(5,711)	125,591	(129,529)	7,777	(1,872)
Designated – severance pay	10,030	-	-	(7,777)	2,253
Total unrestricted funds	<u>4,319</u>	<u>125,591</u>	<u>(129,529)</u>	<u>-</u>	<u>381</u>
	01/09/2022	Incoming resources	Resources expended	Transfers	31/08/2023
	£	£	£	£	£
Restricted funds:					
Core grant – The Methodist Church – North West Districts	-	19,875	(19,875)	-	-
Total restricted funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The purpose of the designated fund is for the funding of severance pay if the situation arises where redundancies are necessary to make.

* see note 21 for prior year adjustment detail

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Notes to the Financial Statements

for the Year Ended 31 August 2023

14. MOVEMENT IN FUNDS (continued)

Comparatives for movement in funds

	01/09/2021	Restated Income*	Restated Expenditure*	Transfers	31/08/2022*
	£	£	£	£	£
Unrestricted funds:					
General fund	959	120,529	(128,571)	1,372	(5,711)
Designated – severance pay	11,402	-	-	(1,372)	10,030
Total unrestricted funds	12,361	120,529	(128,571)	-	4,319
	01/09/2021	Incoming resources	Resources expended	Transfers	31/08/2022
	£	£	£	£	£
Restricted funds:					
Whaley Hall - project support work	-	1,750	(1,750)	-	-
Holmes, Holmeswood, Mere Brow and Tarleton Churches - project support work	-	10,000	(10,000)	-	-
Total restricted funds	-	11,750	(11,750)	-	-

* see note 21 for prior year adjustment details

15. ANALYSIS OF COMPANY NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fund balances at 31st August 2023 are represented by:-			
Tangible fixed assets	-	-	-
Net current assets	11,191	(10,810)	381
	11,191	(10,810)	381
	Unrestricted Funds*	Restricted Funds*	Total
	£	£	£
Fund balances at 31st August 2022 are represented by:-			
Tangible fixed assets	-	-	-
Net current assets	14,244	(9,925)	4,319
	14,244	(9,925)	4,319

* see note 21 for prior year adjustment details

Transforming Churches and Communities
Notes to the Financial Statements
for the Year Ended 31 August 2023

16. FINANCIAL INSTRUMENTS

The carrying amounts for each category of financial instrument is as follows:

	2023	2022
	£	£
Financial assets		
That are debt instruments measured at amortised cost	14,975	33,165
	2023	2022
	£	£
Financial liabilities		
Measured at amortised cost	(14,594)	(18,921)

Financial assets measured at amortised cost comprise: cash at bank and in hand; income receivable and other debtors; and prepayments.

Financial liabilities measured at amortised cost comprise; trade creditors; other taxes and social security; accruals; and deferred income.

17. CONSTITUTION

The organisation is a Charitable Incorporated Organisation regulated by the Charity Commission in the event of it being wound up the members are committed to contributing £1 each.

18. TAXATION

The Charity is a registered charity and is entitled to claim annual exemption from UK corporation tax.

19. CAPITAL COMMITMENTS

There were no capital commitments authorised and contracted for at the end of the year (2022 £Nil).

20. RELATED PARTY TRANSACTIONS

The trustees are unrelated to each other and the charity is not under the control of one individual or entity. There are no related party transactions to disclose in either year.

21. PRIOR YEAR ADJUSTMENT

Prior year adjustment for the District retainer grant

The 2021-22 Manchester & Stockport District retainer grant of £15,000 had been fully recognised as unrestricted income in the 2021-22 annual accounts. In 2022-23 it was discovered that this grant was gifted with the restriction that it was to be utilised against future consultancy work performed by TCC within the District area. £5,075 could be utilised against consultancy work during 2021-22, and therefore £9,925 of the grant should have been deferred until 2022-23 when it was probably that the grant conditions could be met. Therefore, a prior year adjustment is required to defer £9,925 grant income as a liability.

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Notes to the Financial Statements
for the Year Ended 31 August 2023

21. PRIOR YEAR ADJUSTMENT (continued)

Prior year adjustment for the salary recharge presentation

During the year, the trustees have determined that the salary recharge has been previously incorrectly accounted for. It had been netted off against the salary expense, whereas it should have been prepared on the gross basis in accordance with the Charities SORP (FRS 102). This amounted to £17,926 in 2021-22. Therefore, a prior year adjustment to other income and charitable expenditure is required.

The table below summarises the effect of these two prior year adjustments on the 2021-22 comparative figures:

	2021-22 as previously stated	District retainer grant PYA	Salary recharge PYA	2021-22 total as restated
	£	£	£	£
<u>Statement of Financial Activities</u>				
Donations and grants	25,000	(9,925)		15,075
Charitable activities	85,325			85,325
Other income	2,203		17,926	20,129
Total income	112,528	(9,925)	17,926	120,529
Expenditure on charitable activities	110,645		17,926	128,571
Total expenditure	110,645		17,926	128,571
Net movement in funds	1,883	(9,925)		(8,042)
Total funds brought forward	12,361			12,361
Total funds carried forward	14,244	(9,925)		4,319
<u>Balance Sheet</u>				
Debtors	5,534			5,534
Cash	27,631			27,631
Creditors: Amounts falling due in one year	18,921	9,925		28,846
Net Assets	14,244	(9,925)		4,319
Total funds carried forward	14,244	(9,925)		4,319