

REGISTERED COMPANY NUMBER: 08703834 (England and Wales)
REGISTERED CHARITY NUMBER: 1154239

Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2023
for
GLOW CHURCH UK LTD

GLOW CHURCH UK LTD

Contents of the Financial Statements
for the Year Ended 31 March 2023

	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 9
Statement of Financial Activities	10
Statement of Financial Position	11
Statement of Cash Flows	12
Notes to the Statement of Cash Flows	13
Notes to the Financial Statements	14 to 25
Detailed Statement of Financial Activities	26 to 27

GLOW CHURCH UK LTD

Report of the Trustees **for the Year Ended 31 March 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The objectives of the Charity are :-

- a) To advance the Christian faith in accordance with the Statement in such ways and in such parts of the United Kingdom or the World as the directors from time to time may think fit, and
- b) To relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom or the World as the directors from time to time think fit, and
- c) To advance education in such ways and in such parts of the United Kingdom as the directors from time to time may think fit.

A summary of the activities of the charity as set out on the Charity Commission website is that the charity provides nursery care and hire of facilities that advance public education by mounting lectures, exhibitions and conferences.

GLOW CHURCH UK LTD

Report of the Trustees **for the Year Ended 31 March 2023**

Objectives and activities

Public benefit

Glow Church UK continued its journey of growth and community impact, with a focus on expanding our reach and fostering an inclusive environment. This report highlights our achievements and developments in key areas of our operations.

Membership Growth

One of the most notable accomplishments in 2023 has been the significant increase in our church membership. Our congregation has seen remarkable growth, particularly among young families, children, and young people. This growth is a testament to our welcoming and engaging atmosphere. We have placed a strong emphasis on creating a vibrant and nurturing environment for young families. Our children's programs, youth nights, and special events have attracted more participants than ever before.

Diversity and Inclusion

Glow Church UK has taken strides towards becoming a more diverse and inclusive community. Our commitment to embracing individuals from various ethnic backgrounds has resulted in a notable increase in the diversity of our membership. We celebrated this diversity through special events, fostering an environment of acceptance and unity.

Services in the City of Newcastle

Our presence in the city of Newcastle has continued to expand. We are proud to serve the local community through our various programs and initiatives, providing a safe and welcoming space for residents to worship, connect, and grow spiritually.

Growth in Connect Groups

Our Connect Groups, smaller midweek gatherings within our church, have grown in number and significance. We have seen a surge in sign-ups, with a significant portion of our congregation participating in these intimate communities. Connect Groups have facilitated deeper friendships, greater support systems, and spiritual growth among our members.

Outreach to the Local Community

Our commitment to outreach and community engagement remains unwavering. In 2023, we initiated several outreach programs, including exercise classes and toddler groups, that have made a positive impact on the local community. These initiatives have been well-received, contributing to our mission of being a beacon of hope and support in our neighborhood.

In summary, 2023 has been a year of growth, inclusively, and community outreach at Glow Church UK. We have welcomed new members, provided enriching experiences for young families and children, and made significant strides in fostering a diverse and inclusive congregation. Our commitment to serving the city of Newcastle and our efforts to connect and engage our members have been particularly successful.

Strategic report

Principal funding sources

The principal funding sources are;

- a) donations and gifts to Glow Church UK Ltd,
- b) provision of nursery care,
- c) hire of facilities,
- d) grants.

The Charity does not undertake specific fundraising events. Its main source of funds are the donations of members of the Congregation. No significant expenditure is incurred in raising these funds. The return of in person services has seen levels of donations increase during this year.

The Charity has a trading subsidiary "Innovate County Durham Ltd" which operates conferencing and events on the main site in Newton Aycliffe. The staff are paid although volunteers do provide support from time to time. The conference facilities provided through Innovate County Durham Ltd are hired out to other organisations such as the NHS and local firms for education and training purposes as well as mounting exhibitions.

The Charity also uses any surplus funds from Little Cubs and Innovate County Durham Ltd.

GLOW CHURCH UK LTD

Report of the Trustees **for the Year Ended 31 March 2023**

Strategic report

Financial review

Reserves policy

The Trustees have considered and retained the existing level of reserves set out by the Charity. These funds are not restricted and can be allocated to various special projects. Members of the congregation have given donations over and above their normal giving to enable the Charity to fund future projects. There are no restricted or designated reserves as at 31 March 2023 (2022: £nil). Unrestricted general reserves as at 31 March 2023 was £872,498 (2022: £884,542).

The income and expenditure streams, the need to match income with commitments and the nature of reserves have been considered again. Budgets and expenditure have been adjusted to reflect current income levels. The Reserves Policy will be kept under review.

Future plans

As we look ahead to 2024, some of our future plans include:

- Developing further small groups and midweek connection points at the church.
- Explore the possibilities of launching new services of Glow Church UK in new locations.
- Rework aspects of the Glow Durham venue to accommodate further growth, create new opportunities and improve the visitor experience.
- Invest in midweek outreach activities to support those most in need in our community.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The Directors of the Company are also Charity Trustees for the purpose of charity law. The Directors have the power to appoint any other person as a Director.

Organisational structure

The Charity's legal status is that of a company limited by guarantee and is governed by the company's Memorandum and Articles of Association.

The Charity is organised so that the trustees meet regularly to manage its affairs. The day to day management is delegated to the Business and Finance Director and the Lead Pastor of Glow Church UK.

Induction and training of new trustees

New trustees are invited and encouraged to visit the main location to familiarise themselves with the charity and the context in which it operates. They are provided with a Directors pack which contains a copy of the Memorandum and Articles, a job description and details of the trustees' responsibilities together with the latest financial statements and the current financial position.

Key management remuneration

Remuneration is reviewed annually by the Board of Trustees by reviewing rates of inflation, industry factor, real living wage. Any pay awards for all staff including SMT are reviewed and approved by the Board of Trustees.

Related parties

The charitable Company owns 100% of the share capital of Innovate County Durham Limited. Other related parties comprise the Trustees and Glow Church Australia.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Charity does not have detailed risk registers in place, risks are reviewed regularly by the Board and action taken to manage and reduce risk.

GLOW CHURCH UK LTD

Report of the Trustees
for the Year Ended 31 March 2023

Reference and administrative details

Registered Company number

08703834 (England and Wales)

Registered Charity number

1154239

Registered office

Glow Uk Long Tens Way
Aycliffe Business Park
Newton Aycliffe
County Durham
DL5 6AP

Trustees

K L Clark (resigned 28/7/22)
S W Mawston
J S Cave
A G Cherrie (appointed 27/7/22)
P A Stanley
A S Glassbrook (appointed 9/8/22)
F Clack (appointed 23/6/22)
I P E Duffew (appointed 15/5/23)

Company Secretary

K I Earley

Senior Statutory Auditor

Mr Lee Harris BSc (Hons) FCCA

Auditors

Mitchell Gordon LLP
Accountants and Statutory Auditor
43 Coniscliffe Road
Darlington
Co. Durham
DL3 7EH

Senior pastors and executive team

J S Cave
E Cave
J Brett
M Webber
K Emery
W Eriksson

GLOW CHURCH UK LTD

Report of the Trustees **for the Year Ended 31 March 2023**

Statement of trustees' responsibilities

The Trustees (who are also the directors of Glow Church UK Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to;

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

Auditors

The auditors, Mitchell Gordon LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21 December 2023 and signed on the board's behalf by:

A S Glassbrook - Trustee

Report of the Independent Auditors to the Members of
Glow Church UK Ltd

Opinion

We have audited the financial statements of Glow Church UK Ltd (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Glow Church UK Ltd

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of
Glow Church UK Ltd

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sectors in which the company operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection compliance, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

These procedures did not identify any potentially material actual or suspected non-compliance.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed material journal entries to identify unusual transactions or posting by unusual users;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the company's legal advisors.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance of fraud and cannot be expected to detect non-compliance with all laws & regulations.

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

Report of the Independent Auditors to the Members of
Glow Church UK Ltd

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Lee Harris BSc (Hons) FCCA (Senior Statutory Auditor)
for and on behalf of Mitchell Gordon LLP
Accountants and Statutory Auditor
43 Coniscliffe Road
Darlington
Co. Durham
DL3 7EH

21 December 2023

GLOW CHURCH UK LTD

Statement of Financial Activities
for the Year Ended 31 March 2023

	Notes	Unrestricted funds £	Restricted fund £	31/3/23 Total funds £	31/3/22 Total funds £
Income and endowments from					
Donations and legacies	3	321,617	-	321,617	281,475
Charitable activities	6				
Charitable activities		570,467	-	570,467	447,211
Other charitable activities	4	123,683	-	123,683	159,263
Investment income	5	16	-	16	-
Total		<u>1,015,783</u>	<u>-</u>	<u>1,015,783</u>	<u>887,949</u>
Expenditure on					
Raising funds	7	489	-	489	-
Charitable activities	8				
Charitable activities		<u>1,042,826</u>	<u>-</u>	<u>1,042,826</u>	<u>829,061</u>
Total		<u>1,043,315</u>	<u>-</u>	<u>1,043,315</u>	<u>829,061</u>
NET INCOME/(EXPENDITURE)		(27,532)	-	(27,532)	58,888
Reconciliation of funds					
Total funds brought forward		884,542	-	884,542	825,654
Total funds carried forward		<u><u>857,010</u></u>	<u><u>-</u></u>	<u><u>857,010</u></u>	<u><u>884,542</u></u>

The notes form part of these financial statements

GLOW CHURCH UK LTD

Statement of Financial Position
31 March 2023

	Notes	Unrestricted funds £	Restricted fund £	31/3/23 Total funds £	31/3/22 Total funds £
Fixed assets					
Tangible assets	15	2,139,568	-	2,139,568	2,022,389
Investments	16	1	-	1	1
		<hr/> 2,139,569	<hr/> -	<hr/> 2,139,569	<hr/> 2,022,390
Current assets					
Debtors	17	14,992	-	14,992	7,112
Cash at bank and in hand		42,641	15,000	57,641	14,255
		<hr/> 57,633	<hr/> 15,000	<hr/> 72,633	<hr/> 21,367
Creditors					
Amounts falling due within one year	18	(416,240)	(2,410)	(418,650)	(133,231)
		<hr/> (358,607)	<hr/> 12,590	<hr/> (346,017)	<hr/> (111,864)
Net current assets					
		<hr/> (358,607)	<hr/> 12,590	<hr/> (346,017)	<hr/> (111,864)
Total assets less current liabilities		1,780,962	12,590	1,793,552	1,910,526
Creditors					
Amounts falling due after more than one year	19	(923,952)	(12,590)	(936,542)	(1,025,984)
		<hr/> 857,010	<hr/> -	<hr/> 857,010	<hr/> 884,542
NET ASSETS		<hr/> 857,010	<hr/> -	<hr/> 857,010	<hr/> 884,542
Funds	22				
Unrestricted funds				857,010	884,542
Total funds				<hr/> 857,010	<hr/> 884,542

The financial statements were approved by the Board of Trustees and authorised for issue on 21 December 2023 and were signed on its behalf by:

A S Glassbrook - Trustee

The notes form part of these financial statements

GLOW CHURCH UK LTD

Statement of Cash Flows
for the Year Ended 31 March 2023

	Notes	31/3/23 £	31/3/22 £
Cash flows from operating activities			
Cash generated from operations	1	185,031	130,875
Interest paid		(52,461)	(49,275)
Movement on related party balances		274,019	8,767
		<hr/>	<hr/>
Net cash provided by operating activities		406,589	90,367
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible fixed assets		(280,215)	(6,757)
Interest received		16	-
		<hr/>	<hr/>
Net cash used in investing activities		(280,199)	(6,757)
		<hr/>	<hr/>
Cash flows from financing activities			
New loans in year		15,000	-
Loan repayments in year		(98,004)	(74,094)
		<hr/>	<hr/>
Net cash used in financing activities		(83,004)	(74,094)
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		43,386	9,516
Cash and cash equivalents at the beginning of the reporting period		14,255	4,739
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		57,641	14,255
		<hr/>	<hr/>

The notes form part of these financial statements

GLOW CHURCH UK LTD

Notes to the Statement of Cash Flows
for the Year Ended 31 March 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31/3/23 £	31/3/22 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(27,532)	58,888
Adjustments for:		
Depreciation charges	10,434	6,121
Interest received	(16)	-
Interest paid	52,461	49,275
Gain/loss on revaluation	152,602	-
Decrease in stocks	-	1,899
Increase in debtors	(2,513)	(3,407)
(Decrease)/increase in creditors	(405)	18,099
Net cash provided by operations	<u>185,031</u>	<u>130,875</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/22 £	Cash flow £	At 31/3/23 £
Net cash			
Cash at bank and in hand	14,255	43,386	57,641
	<u>14,255</u>	<u>43,386</u>	<u>57,641</u>
Debt			
Debts falling due within 1 year	(99,312)	(6,439)	(105,751)
Debts falling due after 1 year	(1,025,984)	89,442	(936,542)
	<u>(1,125,296)</u>	<u>83,003</u>	<u>(1,042,293)</u>
Total	<u>(1,111,041)</u>	<u>126,389</u>	<u>(984,652)</u>

The notes form part of these financial statements

GLOW CHURCH UK LTD

Notes to the Financial Statements **for the Year Ended 31 March 2023**

1. STATUTORY INFORMATION

The charitable company, a public benefit entity, is limited by guarantee and is registered in England and Wales. The members of the charitable company are the Trustees named on page 4. In the event of the charitable company being wound up, the liability of the guarantee is limited to £1 per member. The registered office of the charitable company is Glow Uk Long Tens Way, Aycliffe Business Park, Newton Aycliffe, Co. Durham, DL5 6AP.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with 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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements have been prepared under the going concern basis of accounting.

Preparation of consolidated financial statements

The financial statements contain information about Glow Church UK Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from charitable activities where related to performance and specific deliverables are accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of its recognition it is deferred and included in creditors. Where entitlement occurs before income being received the income is accrued. No amounts are included in the financial statements for services donated by volunteers.

Expenditure

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. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued **for the Year Ended 31 March 2023**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Freehold property	- not provided
Plant and machinery	- 25% on reducing balance, 20% on reducing balance and Straight line over 10 years
Fixtures and fittings	- 25% on reducing balance and 15% on reducing balance

The property is held at market value, they are maintained regularly throughout the year and for this reason the trustees do not believe it is appropriate to depreciate the property.

Investments in subsidiaries

Investment in subsidiary undertakings are recognised at cost.

Taxation and irrecoverable value added tax

The charity is exempt from corporation tax on its charitable activities.

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

All income and expenditure for the current and prior year relate to unrestricted funds.

Pension costs and other post-retirement benefits

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

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued **for the Year Ended 31 March 2023**

2. ACCOUNTING POLICIES - continued

Financial instruments

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

3. DONATIONS AND LEGACIES

	31/3/23	31/3/22
	£	£
Church donations	267,535	233,962
Gift aid	54,082	47,513
	<u>321,617</u>	<u>281,475</u>

4. OTHER CHARITABLE ACTIVITIES

	31/3/23	31/3/22
	£	£
Other income	65,288	120,124
Operating income	58,395	39,139
	<u>123,683</u>	<u>159,263</u>

5. INVESTMENT INCOME

	31/3/23	31/3/22
	£	£
Deposit account interest	16	-
	<u>16</u>	<u>-</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	31/3/23	31/3/22
	£	£
Grants	242,702	168,433
Nursery fees	327,765	278,778
	<u>570,467</u>	<u>447,211</u>

Grants received, included in the above, are as follows:

	31/3/23	31/3/22
	£	£
Nursery education grants	242,702	168,433
	<u>242,702</u>	<u>168,433</u>

7. RAISING FUNDS

Other trading activities

	31/3/23	31/3/22
	£	£
Direct costs	489	-
	<u>489</u>	<u>-</u>

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
Charitable activities	762,960	279,866	1,042,826

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31/3/23 £	31/3/22 £
Staff costs	584,687	592,652
Rates and water	5,699	3,491
Insurance	9,789	9,333
Light and heat	27,822	28,530
Telephone	2,453	3,718
Postage and stationery	704	1,520
Repairs and renewals	49,372	26,321
Direct costs	82,434	55,464
	<u>762,960</u>	<u>721,029</u>

10. SUPPORT COSTS

	Management £	Information technology £	Human resources £
Charitable activities	38,585	6,829	2,275
		Governance	
	Other £	costs £	Totals £
Charitable activities	218,625	13,552	279,866

Support costs, included in the above, are as follows:

Management

	31/3/23 Charitable activities £	31/3/22 Total activities £
Printing, postage and stationery	5,604	4,616
Advertising	-	114
Sundries	31,266	28,079
Motor and travel	1,715	916
	<u>38,585</u>	<u>33,725</u>

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

10. SUPPORT COSTS - continued

Information technology

	31/3/23 Charitable activities £	31/3/22 Total activities £
IT costs	6,829	6,350
	<u>6,829</u>	<u>6,350</u>

Human resources

	31/3/23 Charitable activities £	31/3/22 Total activities £
Training	2,275	3,110
	<u>2,275</u>	<u>3,110</u>

Other

	31/3/23 Charitable activities £	31/3/22 Total activities £
Bank charges	3,128	3,329
Depreciation of tangible fixed assets	10,434	6,121
Impairment losses for tangible fixed assets	152,602	-
Bank interest	-	7
Bank loan interest	52,461	49,268
	<u>218,625</u>	<u>58,725</u>

Governance costs

	31/3/23 Charitable activities £	31/3/22 Total activities £
Accountancy fees	4,630	4,875
Legal and professional fees	4,422	1,247
Auditors remuneration	4,500	-
	<u>13,552</u>	<u>6,122</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/3/23 £	31/3/22 £
Depreciation - owned assets	10,434	6,121
Auditors remuneration for audit of the financial statements	4,500	-
Auditors remuneration for non-audit services	4,630	4,875
	<u>19,564</u>	<u>11,006</u>

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

12. TRUSTEES' REMUNERATION AND BENEFITS

During the year A G Cherrie, a trustee, received remuneration of £36,777 (2022: £27,952) in his role as Lead Pastor.

During the year K L Clark, a trustee, received remuneration of £16,919 (2022: £40,060) in her role as Business & Finance director up to the date of resignation of 28th July 2022.

Trustees' expenses

During the year trustee expenses of £46 (2022: £Nil) were paid by the charity.

13. STAFF COSTS

	31/3/23	31/3/22
	£	£
Wages and salaries	544,938	549,106
Social security costs	29,842	30,161
Other pension costs	9,907	13,385
	<u>584,687</u>	<u>592,652</u>

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

	31/3/23	31/3/22
Charitable activities	39	40
Management and administration	1	2
	<u>40</u>	<u>42</u>

No employees received emoluments in excess of £60,000.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
Income and endowments from			
Donations and legacies	281,475	-	281,475
Charitable activities			
Charitable activities	447,211	-	447,211
Other charitable activities	159,263	-	159,263
Total	<u>887,949</u>	<u>-</u>	<u>887,949</u>
Expenditure on			
Charitable activities			
Charitable activities	829,061	-	829,061
NET INCOME	58,888	-	58,888
Reconciliation of funds			
Total funds brought forward	825,654	-	825,654

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
Total funds carried forward	884,542	-	884,542

15. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST OR VALUATION					
At 1 April 2022	2,002,602	106,272	4,895	-	2,113,769
Additions	-	259,449	13,987	6,779	280,215
Revaluations	(152,602)	-	-	-	(152,602)
At 31 March 2023	1,850,000	365,721	18,882	6,779	2,241,382
DEPRECIATION					
At 1 April 2022	-	88,229	3,151	-	91,380
Charge for year	-	9,141	931	362	10,434
At 31 March 2023	-	97,370	4,082	362	101,814
NET BOOK VALUE					
At 31 March 2023	1,850,000	268,351	14,800	6,417	2,139,568
At 31 March 2022	2,002,602	18,043	1,744	-	2,022,389

Cost or valuation at 31 March 2023 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
Valuation in 2023	(152,602)	-	-	-	(152,602)
Cost	2,002,602	365,721	18,882	6,779	2,393,984
	1,850,000	365,721	18,882	6,779	2,241,382

A valuation has been provided for mortgage purposes which has been used to revalue the property. The external valuer noted to rebuild the property the cost would be around £6,670,000 however the current market value is £1,850,000, due to the nature of the property it is very difficult to ascertain a value in use. Management are of the view that the building is worth well in excess of this valuation.

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2022 and 31 March 2023	1
	<hr/>
NET BOOK VALUE	
At 31 March 2023	1
	<hr/>
At 31 March 2022	1
	<hr/>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Innovate County Durham Limited

Registered office: Glow Church Long Tens Way, Aycliffe Business Park, Newton Aycliffe, County Durham, DL5 6AP

Nature of business: Management services and conferencing facilities.

	%		
Class of share:	holding		
Ordinary	100		
		31/3/23	31/3/22
		£	£
Aggregate capital and reserves		(45,444)	(57,067)

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/23	31/3/22
	£	£
Trade debtors	3,705	1,232
Amounts owed by group undertakings	5,375	8
VAT	-	2,675
Prepayments	5,912	3,197
	<hr/>	<hr/>
	14,992	7,112
	<hr/>	<hr/>

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/23	31/3/22
	£	£
Bank loans and overdrafts (see note 20)	105,751	99,312
Trade creditors	11,252	10,506
Amounts owed to group undertakings	279,385	-
Social security and other taxes	6,643	10,606
VAT	1,357	-
Other creditors	3,612	961
Accrued expenses	10,650	11,846
	<u>418,650</u>	<u>133,231</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/3/23	31/3/22
	£	£
Bank loans (see note 20)	<u>936,542</u>	<u>1,025,984</u>

20. LOANS

An analysis of the maturity of loans is given below:

	31/3/23	31/3/22
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>105,751</u>	<u>99,312</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>120,148</u>	<u>103,341</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>305,189</u>	<u>321,448</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more than 5 years payable by instalments	511,205	601,195

21. SECURED DEBTS

The following secured debts are included within creditors:

	31/3/23	31/3/22
	£	£
Bank loans	<u>995,626</u>	<u>1,083,626</u>

The loans are secured against the property, Glow UK Long Tens Way, Aycliffe Business Park, Newton Aycliffe, DL5 6AP and all undertakings of the Charity.

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

22. MOVEMENT IN FUNDS

	At 1/4/22 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General fund	884,542	(27,532)	857,010
TOTAL FUNDS	<u>884,542</u>	<u>(27,532)</u>	<u>857,010</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,015,783	(1,043,315)	(27,532)
TOTAL FUNDS	<u>1,015,783</u>	<u>(1,043,315)</u>	<u>(27,532)</u>

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	825,654	58,888	884,542
TOTAL FUNDS	<u>825,654</u>	<u>58,888</u>	<u>884,542</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	887,949	(829,061)	58,888
TOTAL FUNDS	<u>887,949</u>	<u>(829,061)</u>	<u>58,888</u>

General fund

Funds are available for use at the discretion of the Trustee to further any of the Charity's purposes.

GLOW CHURCH UK LTD

Notes to the Financial Statements - continued **for the Year Ended 31 March 2023**

23. RELATED PARTY DISCLOSURES

At the year end the Charity was owed £5,375 (2022: £8) from Innovate County Durham Limited, a company wholly owned by the Charity.

During the year the amounts received from Innovate County Durham Limited which relate to Glow Church UK Ltd total £Nil (2022: £39,139).

At the year end the Charity owed £279,385 (2022: £Nil) to Glow Church Australia, a member of the Glow Church community. This amount is interest free and repayable on demand.

24. RECLASSIFICATION OF COMPARATIVES

The comparatives for expenditure have been reclassified to more accurately reflect the classification of costs.

GLOW CHURCH UK LTD

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	31/3/23 £	31/3/22 £
Income and endowments		
Donations and legacies		
Church donations	267,535	233,962
Gift aid	54,082	47,513
	<hr/> 321,617	<hr/> 281,475
Other charitable activities		
Other income	65,288	120,124
Operating income	58,395	39,139
	<hr/> 123,683	<hr/> 159,263
Investment income		
Deposit account interest	16	-
Charitable activities		
Grants	242,702	168,433
Nursery fees	327,765	278,778
	<hr/> 570,467	<hr/> 447,211
Total incoming resources	<hr/> 1,015,783	<hr/> 887,949
Expenditure		
Other trading activities		
Direct costs	489	-
Charitable activities		
Wages	544,938	549,106
Social security	29,842	30,161
Pensions	9,907	13,385
Rates and water	5,699	3,491
Insurance	9,789	9,333
Light and heat	27,822	28,530
Telephone	2,453	3,718
Postage and stationery	704	1,520
Repairs and renewals	49,372	26,321
Direct costs	82,434	55,464
	<hr/> 762,960	<hr/> 721,029
Support costs		
Management		
Printing, postage and stationery	5,604	4,616
Advertising	-	114
Sundries	31,266	28,079
Carried forward	36,870	32,809

This page does not form part of the statutory financial statements

GLOW CHURCH UK LTD

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	31/3/23 £	31/3/22 £
Management		
Brought forward	36,870	32,809
Motor and travel	1,715	916
	<hr/> 38,585	<hr/> 33,725
Information technology		
IT costs	6,829	6,350
Human resources		
Training	2,275	3,110
Other		
Bank charges	3,128	3,329
Plant and machinery	9,141	5,742
Fixtures and fittings	931	379
Computer equipment	362	-
Impairment losses for tangible fixed assets	152,602	-
Bank interest	-	7
Bank loan interest	52,461	49,268
	<hr/> 218,625	<hr/> 58,725
Governance costs		
Accountancy fees	4,630	4,875
Legal and professional fees	4,422	1,247
Auditors remuneration	4,500	-
	<hr/> 13,552	<hr/> 6,122
Total resources expended	<hr/> 1,043,315	<hr/> 829,061
Net (expenditure)/income	<hr/> <hr/> (27,532)	<hr/> <hr/> 58,888

This page does not form part of the statutory financial statements