

Charity registration number 1168380

Company registration number 09846881 (England and Wales)

THE CORNERSTONE WORKS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023

THE CORNERSTONE WORKS LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N Houghton Dr A S Houghton
Charity number	1168380
Company number	09846881
Registered office	225 Station Road Knowle Solihull West Midlands B930PU
Auditor	Thomas & Young Limited Carleton House 266-268 Stratford Road Shirley Solihull B90 3AD

THE CORNERSTONE WORKS LIMITED

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THE CORNERSTONE WORKS LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023

The trustees present their annual report and financial statements for the year ended 31 October 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity exists to contribute to the advancement of the Christian religion through -

- a) Providing support in such ways as the trustees think fit to Charities and other organisations working to advance the Christian faith and to provide Christian religious education based on the teachings of the Church of England as laid down in the Apostles creed.
- b) Providing relief of need anywhere in the world as an outworking of the Christian faith.
- c) Promoting those aspects of the Christian faith concerning community development and the relief and prevention of poverty.

The wider base of donations from the charity which was established in 2019 has been continued during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. They have also complied with prevailing laws and regulations generally.

Income base

The income comes from the rental of six properties owned by the charity and also private donations. Some of the properties are rented out at slightly reduced rents to organisations which specifically link to the objectives of The Cornerstone Works.

Plans for the future

The charity continues to accumulate reserves and cash in order to acquire additional property to increase further the income base of the charity.

Achievements and performance

During the year the trustees consider that the charity has achieved its objectives.

THE CORNERSTONE WORKS LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

Financial review

Donations

The charity made donations of £81,020 to charities in the UK and other parts of the world in line with its charitable objects. The level of donations increased during the year and will continue to rise with increasing rental income available.

Rental Income

The charity received rental income from its freehold properties of £171,907. There were no bad debts or rent reductions during the year.

- New Life Church, Cardigan, Feed The Hungry, 65 Whitehouse Common Road and St Peter's Fulham tenancies were unchanged during the year.
- A new 10 year lease was taken out on Havilands restaurant in Meer Street, Stratford upon Avon from November 2022. The previous leaseholders sold their business and surrendered the lease. There was no gap in rent.
- Kids UK, the charity for whom the tenant at 65 Whitehouse Common Rd works, asked if we would build an office in the garden for him to work from. This was agreed with a build cost of £9,560 at an annual rent from Kids UK of £1,440.

Expenditure

- The main expense was the garden office at 65 Whitehouse Common Rd, and has been shown as a fixed asset, which will be depreciated from next year.
- Other expenses were related to ongoing property repairs, maintenance and insurance.

Reserves are maintained in order to meet the day to day operating requirements of the charity, and are represented largely by capital assets in the form of investment properties which are applied for charitable purposes. Any surplus reserves are accumulated for further property acquisitions.

The trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees expect the Charity to expand and fully meet its objectives and to be operating effectively during the forthcoming financial period.

The charity is in a stable position and will be able to continue to fulfil its objectives over the coming years. The level of donations is planned to grow moderately over the coming years.

Additional property projects will be reviewed where they fit the charity's objectives of supporting Christian organisations, or where they have a good strategic fit for other reasons (like the Stratford purchase in 2022).

Structure, governance and management

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.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr N Houghton

Dr A S Houghton

Trustees are elected and appointed in accordance with the terms set out in the governing document.

The charity is organised in a simple and transparent way with the trustees meeting to take decisions and agree actions as required. No staff are employed by the charity and any work required is outsourced to third parties. Investment and donation decisions are made by the joint agreement of the trustees.

THE CORNERSTONE WORKS LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 OCTOBER 2023*

Any new trustees benefit from an induction and training period to enable them to acclimatise to the way that the charity operates. This may include attending meetings with existing trustees and staff and taking part in the day to day operations of the charity to facilitate a greater understanding of its objectives and activities.

Related party transactions are referred to in the notes.

Auditor

In accordance with the company's articles, a resolution proposing that Thomas & Young Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

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Mr N Houghton

Trustee

Dated:

THE CORNERSTONE WORKS LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 OCTOBER 2023

The trustees, who are also the directors of The Cornerstone Works Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE CORNERSTONE WORKS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE CORNERSTONE WORKS LIMITED

Opinion

We have audited the financial statements of The Cornerstone Works Limited (the 'charity') for the year ended 31 October 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE CORNERSTONE WORKS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CORNERSTONE WORKS LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included the following.

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with governance.
- Assessing the extent of compliance with the laws and regulations considered to have a material effect on the financial statements or the operations of the charity through enquiry and inspection.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of significant transactions outside the normal course of activities, and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE CORNERSTONE WORKS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CORNERSTONE WORKS LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Thomas & Young Limited

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**Chartered Accountants
Statutory Auditor**

Carleton House
266-268 Stratford Road
Shirley
Solihull
B90 3AD

Thomas & Young Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE CORNERSTONE WORKS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	3	-	250
Investments	4	171,907	158,468
Total income		171,907	158,718
Expenditure on:			
Charitable activities	5	91,697	93,146
Total expenditure		91,697	93,146
Net gains/(losses) on investments	10	135,613	-
Net income and movement in funds		215,823	65,572
Reconciliation of funds:			
Fund balances at 1 November 2022		3,975,724	3,910,152
Fund balances at 31 October 2023		4,191,547	3,975,724

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

THE CORNERSTONE WORKS LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		9,560		-
Investment property	13		4,310,000		4,174,387
			<u>4,319,560</u>		<u>4,174,387</u>
Current assets					
Cash at bank and in hand		135,037		59,112	
Creditors: amounts falling due within one year	15		(143,050)		(37,775)
Net current (liabilities)/assets			<u>(8,013)</u>		<u>21,337</u>
Total assets less current liabilities			4,311,547		4,195,724
Creditors: amounts falling due after more than one year	16		(120,000)		(220,000)
Net assets excluding pension liability			<u>4,191,547</u>		<u>3,975,724</u>
Net assets			<u><u>4,191,547</u></u>		<u><u>3,975,724</u></u>
The funds of the charity					
Unrestricted funds			4,191,547		3,975,724
			<u>4,191,547</u>		<u>3,975,724</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 October 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on

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Mr N Houghton
Trustee

Company registration number 09846881 (England and Wales)

THE CORNERSTONE WORKS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	21		(86,422)		(96,171)
Investing activities					
Purchase of tangible fixed assets		(9,560)		-	
Purchase of investment property		-		(357,252)	
Investment income received		171,907		158,468	
Net cash generated from/(used in) investing activities			162,347		(198,784)
Financing activities					
Proceeds from borrowings		-		220,000	
Net cash (used in)/generated from financing activities			-		220,000
Net increase/(decrease) in cash and cash equivalents			75,925		(74,955)
Cash and cash equivalents at beginning of year			59,112		134,067
Cash and cash equivalents at end of year			135,037		59,112

THE CORNERSTONE WORKS LIMITED

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

1 Accounting policies

Charity information

The Cornerstone Works Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 225 Station Road, Knowle, Solihull, West Midlands, B930PU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Resources expended

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.

THE CORNERSTONE WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10 years straight line from year after purchase
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

A revaluation exercise is performed periodically and further details are shown in the notes to the accounts.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing 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 operations 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.

THE CORNERSTONE WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

2 Critical accounting estimates and judgements

In the application of the charity'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.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other	-	250

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	170,616	158,211
Interest receivable	1,291	257
	<u>171,907</u>	<u>158,468</u>

THE CORNERSTONE WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

5 Expenditure on charitable activities

	Direct charitable 2023 £	Direct charitable 2022 £
Direct costs		
Donations to other charities	81,020	76,720
Share of support and governance costs (see note 6)		
Support	7,077	12,844
Governance	3,600	3,582
	<u>91,697</u>	<u>93,146</u>
Analysis by fund		
Unrestricted funds	<u>91,697</u>	<u>93,146</u>

6 Support costs allocated to activities

	2023 £	2022 £
Insurance	6,323	5,591
Bank charges	247	240
Legal and professional	60	-
Repairs and utilities	447	7,013
Governance costs	3,600	3,582
	<u>10,677</u>	<u>16,426</u>
Analysed between:		
Direct charitable	<u>10,677</u>	<u>16,426</u>

7 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2023	2022
	£	£
For audit services		
Audit of the financial statements of the charity	<u>3,600</u>	<u>3,600</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

There were no employees in the year.

THE CORNERSTONE WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

10 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investment properties	135,613	-

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Fixtures and fittings £
Cost	
Additions	9,560
At 31 October 2023	9,560
Carrying amount	
At 31 October 2023	9,560

13 Investment property

	2023 £
Fair value	
At 1 November 2022	4,174,387
Net gains or losses through fair value adjustments	135,613
At 31 October 2023	4,310,000

Investment properties are revalued every 3 to 5 years . The properties were revalued in October 2023 by the trustees based on the open market market value.

	2023 £	2022 £
Freehold	4,310,000	4,174,387

THE CORNERSTONE WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

14 Loans and overdrafts

	2023 £	2022 £
Other loans	220,000	220,000
Payable within one year	100,000	-
Payable after one year	120,000	220,000

The loans relate to amounts loaned by the trustees. There are no formal terms for repayment and no interest is being charged. £100,000 has been repaid after the reporting date and this has been shown as a current liability.

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Borrowings	100,000	-
Other taxation and social security	1,840	1,565
Other creditors	37,640	32,640
Accruals	3,570	3,570
	143,050	37,775

Deferred income totalled £2,640 (2022 £2,640) and relates to rents received.

16 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Borrowings	120,000	220,000

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 November 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 October 2023 £
General funds	3,975,724	171,907	(91,697)	135,613	4,191,547

THE CORNERSTONE WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

17 Unrestricted funds (Continued)

Previous year:	At 1 November 2021	Incoming resources	Resources expended	Gains and losses	At 31 October 2022
	£	£	£	£	£
General funds	3,910,152	158,718	(93,146)	-	3,975,724

18 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Donations received from trustees totalling £nil (2022 £nil).

Amounts due to trustees in connection with loans totalled £220,000 (2022 £220,000).

19 Donations to Charities

During the year, the charity made 17 donations to other charities, and 0 to individuals. they were:

Agape	£	2,040
Christianity Explored Ministries	£	2,000
Cinnamon Network	£	2,400
Cinnamon Network International	£	1,200
FIEC	£	900
Grace Enterprises	£	4,000
Knowle PCC	£	15,180
LICC	£	6,000
MMTC	£	800
OCCA House	£	2,000
OICCU	£	3,000
Proclamation Zambia	£	3,400
Solihull School	£	4,000
Stewardship	£	16,100
Tearfund	£	2,400
Titus Trust	£	14,400
Youth for Christ	£	1,200

20 Non audit services

In common with other charities of this size, our auditors assist with the preparation of the financial statements and disclosures.

THE CORNERSTONE WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

21	Cash generated from operations	2023 £	2022 £
	Surplus for the year	215,823	65,572
	Adjustments for:		
	Investment income recognised in statement of financial activities	(171,907)	(158,468)
	Fair value gains and losses on investment properties	(135,613)	-
	Movements in working capital:		
	Increase/(decrease) in creditors	5,275	(3,275)
	Cash absorbed by operations	(86,422)	(96,171)

22	Analysis of changes in net (debt)/funds	At 1 November 2022 £	Cash flows £	At 31 October 2023 £
	Cash at bank and in hand	59,112	75,925	135,037
	Loans falling due within one year	-	(100,000)	(100,000)
	Loans falling due after more than one year	(220,000)	100,000	(120,000)
		(160,888)	75,925	(84,963)