

THE JESMOND TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE JESMOND TRUST

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THE JESMOND TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustees Rev D R J Holloway (resigned 27 April 2023)
 Dr J S Holloway (resigned 27 April 2023)
 Rt Rev J J S Pryke
 Mr R G Clifton
 Mr W A Coulson
 Dr W Tufton
 Mrs H L Caisley (appointed 27 April 2023)
 Mr M R Whitehall (appointed 27 April 2023)

**Charity registered
number** 1193725

Principal office Jesmond Parish Church
 Eskdale Terrace
 Newcastle upon Tyne
 NE2 4DJ

Independent auditors Kinnair Associates Limited
 Chartered Accountants
 Statutory Auditors
 Aston House
 Redburn Road
 Newcastle upon Tyne
 NE5 1NB

Bankers Lloyds Bank plc
 102 Grey Street
 Newcastle upon Tyne
 NG9 1BS

Solicitors Ellis-Fermor and Negus
 2 Devonshire Avenue
 Beeston
 Nottingham
 NE3 5TT

Treasurer Mr W A Coulson

THE JESMOND TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Introduction

The trustees present their annual report and accounts for the year ended 31 December 2023. These are prepared in accordance with the governing document, applicable accounting standards and the recommendations of Statement of Recommended Practice: Accounting and Reporting by Charities.

Reference and Administrative Details

The Jesmond Trust (the Trust, the charity) is a registered charity (registration number 1193725).

The governing body of the charity is the board of trustees, which currently comprises six members. The trustees who acted during the year and up to the date of this report are shown on page 1.

The registered office of the charity and details of its principal advisers are given on page 1.

Structure, governance and management

The Jesmond Trust was registered as a CIO on 8 March 2021, with the intention that the assets and activities of the original Jesmond Trust (registration number 504491) would be transferred to it. This transfer took place on 5 April 2023. Consequently, this report relates to this new CIO Trust's activities after that date.

New trustees are appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the charity trustees have regard to the skills, knowledge and experience needed for the effective administration of the CIO. The trustees elect one of their number to act as chair of trustees. The trustees approve the annual report and accounts.

The trustees appoint a qualified accountant as treasurer, produce an annual budget, have an annual giving review based on the financial needs identified in the budget and monitor income and expenditure during the year on a regular basis. The trustees support Christian workers, and volunteers who fulfil positions of pastoral responsibility, who have been thoroughly vetted and trained, and who are appropriately gifted and qualified. The trustees ensure compliance with relevant legislation and the purchase of adequate insurance cover. These arrangements are reviewed internally by the trustees. They are also reviewed externally. This is done on an annual basis, from a financial perspective, by our auditors. There was also a Charity Commission Review in 2004.

The induction and training of any new trustees takes place in a number of ways. First, the new trustee is given by the trustees a copy of the Trust document and other relevant documentation explaining the workings, objectives, policies and activities of the Trust. Secondly, the new trustee is briefed by one or more of the trustees on the workings, objectives, policies and activities of the Trust. Thirdly, the new trustee becomes familiar with the work that the Trust supports through a careful introduction to the ministry of Jesmond Parish Church. And fourthly, the new trustee is trained 'on the job' in trustees' meetings by observation and explanation by other Trustees of the workings of the Trust.

Though it co-operates with many other charitable organisations through the financial support that it gives and the work in which it is engaged, the Trust has no other structural relationships with charities or other parties, apart from that with Jesmond Parish Church as set out above. It has no subsidiaries.

The trustees have identified and addressed the following risks faced by the charity:

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

- Financial risk
managed mainly through the appointment of a qualified accountant as Treasurer, producing an annual budget, having an annual giving review based on the financial needs identified in the budget and monitoring income and expenditure during the year on a regular basis.
- Reputational risk
managed mainly through supporting only Christian workers who have been rigorously vetted and trained. In addition, the church's Child Protection policy requires that all individuals involved in regular work with children and young people provide a reference and submit to a Disclosure and Barring Service (DBS) check.
- Legal risk
managed mainly through tasking those who administer the Trust with responsibility for ensuring compliance with relevant legislation and purchasing adequate insurance cover.
- Operational risk
managed mainly through supporting only appropriately gifted and qualified Christian workers and volunteers who fill positions of pastoral responsibility.

Objectives and principal activity

- The object of the Trust is to see the advancement of the Christian Religion through the provision of property (including accommodation for clergy), finance, ministry and other help for the whole mission of the Church, pastoral, evangelistic, social and ecumenical in accordance with the Anglican doctrine that is "grounded in the Holy Scriptures, and in such teachings of the ancient Fathers and Councils of the Church that are agreeable to the said Scriptures."
- This includes the Trust's concern to see the advancement of the Christian Religion by the ministry of the clergy and other members of Jesmond Parish Church, a church established as a central point for the maintenance and promulgation of sound Scriptural and evangelical truth in a large and populous town, in and beyond the parish of Jesmond.
- In its concern for other charitable religious purposes concerned with the advancement of the Christian religion it makes payments to facilitate general Christian pastoral, evangelistic, social and aid work in the parish of Jesmond, on Tyneside generally, but also elsewhere in the UK and abroad.
- It enables charitable giving to mission work.

The main strategy of the Jesmond Trust is to support the mission of Jesmond Parish Church and to help enable the vision of the church to become reality. This mission is summed up as GODLY LIVING, CHURCH GROWTH and CHANGING BRITAIN. This comes from the Great Commandments of Jesus and his Great Commission.

- GODLY LIVING is based on the First and Greatest Commandment: "Jesus [said], 'Love the Lord your God with all your heart and with all your soul with all your mind. This is the first and greatest commandment' (Matthew 22.37-38). Godly Living covers personal religion; accepting the importance of the Christian fellowship - the church - and its sacraments; belonging through small groups; biblical finance; Christian reading; and care for the poor - at home and abroad.
- CHURCH GROWTH is based on the Great Commission: "Jesus ... said, 'All authority in heaven and earth has been given to me. Therefore go and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit, and teaching them to obey everything I have commanded you'" (Matthew 28.19-20). Church Growth covers evangelism at home and abroad; expository preaching; youth work; work with students - both UK students and international students; learning from and helping other churches and planting new churches; pastoral care; the welcome and incorporation of newcomers; the

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

music ministry; overseas mission; Christian discipleship Seminars; and the use of the public media.

- CHANGING BRITAIN is based on the Second Great Commandment. "And the second is like it: 'Love your neighbour as yourself.' All the Law and the Prophets hang on these two commandments" (Matthew 22.39-40). Changing Britain covers influencing education; influencing the media; influencing politics; influencing the therapeutic services; influencing commerce; and re-evangelizing the nation. It also involves meeting local needs through activities such as mother and toddler groups, holiday clubs for children, and uniformed groups (Beavers, Cubs, Scouts, Explorer Scouts, Rainbows, Brownies, Guides, Rangers).

In line with this strategy, the main objectives of the Trust for 2023 were as follows:

- to continue support for the work of Jesmond Parish Church and especially the support of Christian workers based at Jesmond Parish Church.
- to continue to provide and improve physical facilities to support the vision and work of Jesmond Parish Church.
- to continue support for the growth of Christian work both in Newcastle, and also elsewhere in the UK and in other countries of the world through support for church planting, world mission and "aid" work.

More detail of the Trust's activities associated with these objectives, as well as the volunteer work that the Trust supports, are in the following section.

Achievements and performance

As noted above, in 2021 the trustees established this new 'Jesmond Trust CIO' with a view to transferring the activities of the original Jesmond Trust to it as soon as practicable. This was regarded as a prudent change, that would not in itself significantly affect the activities of the Trust. In line with this policy and plan, the assets and activities of the original Trust were transferred to this new Jesmond Trust CIO on 5 April 2023. Consequently, this report relates to this new CIO Trust's activities after that date.

The trustees have continued their support of the work of Jesmond Parish Church and especially the support of Christian workers based at Jesmond Parish Church. These have included senior assistant ministers, an executive minister, a head of youth and children's work, a women's worker, a music co-ordinator, an administration co-ordinator, a student co-ordinator, an internationals co-ordinator, a youth co-ordinator, church workers and other workers involved in children's work, student work, community work, music ministry, communications and pastoral work. All this work was itself supported through the Trust by (working with the executive minister and administration co-ordinator) a finance administrator, a finance assistant, administration assistants, and a facilities worker. The vicar and senior minister at Jesmond Parish Church (whose stipends, unlike the stipends of other workers at the Church, are not paid by the Trust) have helped co-ordinate and further the objectives of the Trust.

Hundreds of volunteers who are members of the church gave wide-ranging help across all the different aspects of the church's work. Without all of this dedicated and committed work the Trust would not be able to accomplish all that it does. The trustees would like to record their gratitude to God for these volunteers.

Average Sunday attendances at services at Jesmond Parish Church during October and November 2023 were 645 not including children. There were 238 on the Church Electoral Roll at the 2023 AGM. The six Carols by Candlelight services in December had a combined attendance of 3700.

Thanks to the hard work and creativity of many teams of people, throughout the year there was a wide range of extensive ministries with those in all ages and stages of life. These include:

- toddler and baby group, Sunday crèches, Sunday School groups for children, with mid-week activities,

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

- outreach events and holiday club and weekends away.
- Scout and Guide groups;
- a youth group, with outreach events and a 'summer house party' for young people;
- for students, 'Focus' groups, and an annual conference;
- football and hockey teams;
- for internationals, a 'Globe Café' as well as Christian fellowship groups, English classes, day trips and weekends away;
- a Mandarin Fellowship;
- 'Life Explored', 'Christianity Explored' and 'Discipleship Explored' groups for students and older adults;
- music groups with over 100 in the choirs, and other musical ensembles;
- home groups with a total membership of over 400;
- a number of groups for women at different stages of life;
- activities and meals for those of retirement age

The Trust enables this diverse, seven-days-a-week activity, centred on Jesmond Parish Church and involving people throughout Newcastle and Tyneside.

Through its support of Clayton TV the Trust continued the development of a 24-hour internet TV channel (www.clayton.tv). The channel's 'flagship' TV programmes during the year were the morning and evening services from Jesmond Parish Church. Clayton TV has established links with an increasing number of ministries including New Word Alive, Keswick Ministries, the Proclamation Trust, the GAFCON movement and Christianity Explored, and is broadcasting programming from them.

The trustees have again seen Jesmond Parish Church benefit from the provision and improvement of physical facilities by the Trust. These have included the offices and meeting rooms of Eslington House and 3 Osborne Road. Over the year the trustees have helped to fund necessary renewals and improvements in the Trust's property and in the main church buildings.

As in previous years the supporters of the Trust and the trustees have not only been concerned to see the growth of Christian work in Newcastle, but also elsewhere in the UK and in other countries of the world. They have continued their support for world mission and "aid" work through their support of Christian mission and missionaries in Africa, Papua New Guinea, and elsewhere; through their support of Christian "aid" work with projects in Sri Lanka, Kenya, and South Sudan; and they have also supported Christian work elsewhere in the UK. The Trust continued to support the Navajeevana Health Care Centre in Colombo, Sri Lanka, which two members of Jesmond Parish Church helped pioneer, as well as continuing its long-term partnership with St Philip's Community Centre, Mburi, and the Diocese of Kirinyaga, Kenya. The Trust also supported the work of 'AID' (Anglican International Development for relief and change). The Trust's total support for such work in the UK and around the world in 2023 (not including support for its Gateshead and Benwell churches) amounted to £139,426.00.

In the early part of the year, Holy Trinity Church, Gateshead continued to be supported by the original Jesmond Trust. Support for Holy Trinity Gateshead was seen by the trustees as enabling the beginning of the fulfilment of the vision of Jesmond Parish Church for church planting over the next generation. The trustees were pleased that in line with this vision and its stated intention, all the assets and ministry of Holy Trinity Church were transferred on 5 April 2023 from the original Jesmond Trust to the Holy Trinity Gateshead Church Trust CIO (Charity Commission registration number 1199331).

In November 2013 the Trust acquired St Joseph's Church and Presbytery, Benwell from the Roman Catholic Diocese of Hexham and Newcastle. A gift week in June 2013 secured funding from the supporters of the Trust for the needed renovation of these buildings. This was supplemented by a further gift week in November 2014. The trustees regard this site as an excellent base for extending the Christian ministry supported by the Trust in the West of Newcastle and Tyneside, in accordance with the vision of Jesmond Parish Church. The renovation work was carried out in 2015 as planned, with some finalising of this during 2016. The new St Joseph's Church Benwell, working in conjunction with Jesmond Parish Church, launched in February 2016. A wide range of ministries has been developed. Total Sunday attendances average around 250, and the church is growing. The trustees were pleased that in line with its vision and its stated intention, most of the assets and ministry of St

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Joseph's Church were transferred on 30 November to 2023 to the St Joseph's Benwell Church Trust CIO (Charity Commission registration number 1201951).

Financial review

Funds are donated primarily as people are taught the principles of Christian giving by the clergy, lay workers and volunteers. This is especially done annually at the end of January and/or the beginning of February. The Trust's income therefore results from the willingness of those associated with Jesmond Parish Church to support the objectives of the Trust. Such support is solely on the basis that funds will be used to further biblically-based Christian work in and beyond Newcastle.

During the year, the Trust's total income increased from £1,743,854 to £2,089,910, an increase of £346,056 or 20%. Voluntary donations decreased from £1,636,651 to £1,483,536, a decrease of £153,115 or 9%, £159,383, of which was earmarked for world mission and other specific projects. The trustees thank God for his generous provision of these funds.

During the year, the Trust's total expenditure before exceptional expenditure decreased from £1,763,070 to £1,666,943, a decrease of £96,127 or 5%. £24,589 of this cost was depreciation of fixed assets.

Looking at the net change in funds over the year before accounting for revaluation gains on property, the Trust suffered a deficit of £2,112,528, of which there was an unrestricted surplus of £510,173 and a restricted deficit of £2,622,701. The large reported deficit was due to exceptional costs recorded on the transfer of the net assets and undertakings of two churches to new charitable incorporated organisations, as discussed further below and in note 7 to the financial statements.

The Trust held fund balances at 31 December 2023 of £2,159,910 comprising £1,839,696 unrestricted and £320,214 restricted funds. Unrestricted funds are made up of a retained surplus in the General Fund of £764,696 and a fund balance of £1,075,000 in the Capital Reserve. The Capital Reserve holds the value of the Trust's own properties.

The budget for the 2024 financial year has been agreed by the Trustees and includes for a similar level of staffing as in 2023.

The policy of the trustees on reserves has been that any unrestricted accumulated surplus will be budgeted to be spent on needed work in the following year. As a result, there have been no unrestricted long-term reserves apart from the value of the properties held by the Trust. The Trust's supporters are kept informed through regular financial updates, and in the event of a projected shortfall, additional giving is sought. This long-term policy has served the Trust well.

Significant cash balances are held by the Trust during the year. These are usually held in deposit accounts with the Trust's bankers, Lloyds, to earn interest. No investments are held.

Statement of trustees' responsibilities

The trustees are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit for that period. In preparing those financial statements the trustees are required to: select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with statutory requirements and the charity's constitution and rules. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Disclosure of information to auditors

So far as each trustee at the date of approval of this report is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Plans for future periods

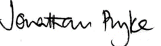
The trustees remain convinced that the strategy of the Trust is sound, and will continue in the direction established by this strategy. The Trust's main objectives for the coming year are:

To continue support for the work of Jesmond Parish Church and especially the support of workers based at Jesmond Parish Church. This will include support for the work of Clayton TV.

To continue to provide and improve physical facilities to support the vision and work of Jesmond Parish Church.

To continue support for the growth of Christian work in the UK (on Tyneside and beyond) and in other countries of the world.

Approved by order of the members of the board of Trustees on 29 April 2024 and signed on their behalf by:

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Rt Rev J J S Pryke
Trustee

THE JESMOND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE JESMOND TRUST

Opinion

We have audited the financial statements of The Jesmond Trust (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE JESMOND TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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, except to the extent otherwise explicitly stated in our report, 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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 charity or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE JESMOND TRUST (CONTINUED)

Auditors' 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 Auditors' 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:

- the engagement partner ensured that the engagement team collectively have 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 Charity through discussions with management, and from our commercial knowledge and experience of the Charity sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including Charities Act 2011 et seq. and Charity Commission regulation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured that the identified laws and regulations were communicated within the audit team regularly and the team remain alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity'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 and their knowledge of actual, suspected and alleged fraud; and
- 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;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the notes to the financial statements were indicative of potential bias.

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

- 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; and
- requesting copies of non-routine correspondence with HMRC and the Charity Commission advisors.

There are inherent limitations in our anticipated audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE JESMOND TRUST (CONTINUED)

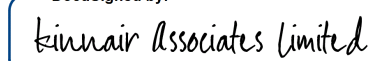
correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' Report.

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 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Kinnair Associates Limited

Chartered Accountants
Statutory Auditors

Aston House

Redburn Road

Newcastle upon Tyne

NE5 1NB

Date: 08-May-2024

Kinnair Associates Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE JESMOND TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Continuing operations 2023 £	Discontinued operations 2023 £	Total funds 2023 £	Continuing operations 2022 £	Discontinued operations 2022 £	Total funds 2022 £
Income from:									
Donations and legacies	3	1,464,907	498,629	1,624,290	339,246	1,963,536	1,138,299	498,352	1,636,651
Charitable activities	4	97,003	25,983	119,777	3,209	122,986	97,141	9,190	106,331
Investments		2,011	-	2,011	-	2,011	107	-	107
Other income	5	(785)	2,162	(785)	2,162	1,377	505	260	765
Total income		1,563,136	526,774	1,745,293	344,617	2,089,910	1,236,052	507,802	1,743,854
Expenditure on:									
Charitable activities	6	1,052,963	613,980	1,301,053	365,890	1,666,943	1,273,648	489,422	1,763,070
Exceptional expenditure	7	-	2,535,495	-	2,535,495	2,535,495	-	-	-
Total expenditure		1,052,963	3,149,475	1,301,053	2,901,385	4,202,438	1,273,648	489,422	1,763,070
Net income/(expenditure)		510,173	(2,622,701)	444,240	(2,556,768)	(2,112,528)	(37,596)	18,380	(19,216)
Transfers between funds	18	2,119	(2,119)	-	-	-	-	-	-
Net movement in funds before other recognised gains/(losses)		512,292	(2,624,820)	444,240	(2,556,768)	(2,112,528)	(37,596)	18,380	(19,216)
Other recognised gains/(losses):									
Gains on revaluation of fixed assets		-	-	-	-	-	-	23,106	23,106

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STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

	Unrestricted funds 2023	Restricted funds 2023	Continuing operations 2023	Discontinued operations 2023	Total funds 2023	<i>Continuing operations 2022</i>	<i>Discontinued operations 2022</i>	<i>Total funds 2022</i>
Note	£	£	£	£	£	£	£	£
Net movement in funds	512,292	(2,624,820)	444,240	(2,556,768)	(2,112,528)	(37,596)	41,486	3,890
Reconciliation of funds:								
Total funds brought forward	1,329,523	2,942,915	1,603,235	2,669,203	4,272,438	1,594,619	2,673,929	4,268,548
Net movement in funds	512,292	(2,624,820)	444,240	(2,556,768)	(2,112,528)	(37,596)	41,486	3,890
Total funds carried forward	1,841,815	318,095	2,047,475	112,435	2,159,910	1,557,023	2,715,415	4,272,438

The Statement of Financial Activities includes all gains and losses recognised in the year.

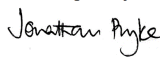
The notes on pages 16 to 37 form part of these financial statements.

THE JESMOND TRUST

BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	1,284,091	3,893,441
		<u>1,284,091</u>	<u>3,893,441</u>
Current assets			
Stocks	14	7,357	7,211
Debtors	15	558,217	85,492
Cash at bank and in hand		483,347	540,907
		<u>1,048,921</u>	<u>633,610</u>
Creditors: amounts falling due within one year	16	(55,988)	(63,850)
Net current assets		<u>992,933</u>	<u>569,760</u>
Total assets less current liabilities		<u>2,277,024</u>	<u>4,463,201</u>
Creditors: amounts falling due after more than one year	17	(117,114)	(190,763)
Net assets excluding pension asset		<u>2,159,910</u>	<u>4,272,438</u>
Total net assets		<u><u>2,159,910</u></u>	<u><u>4,272,438</u></u>
Charity funds			
Restricted funds:			
Restricted funds	18	318,095	2,933,317
Restricted capital funds	18	-	9,598
		<u>318,095</u>	<u>2,942,915</u>
Total restricted funds	18	318,095	2,942,915
Unrestricted funds	18	1,841,815	1,329,523
Total funds		<u><u>2,159,910</u></u>	<u><u>4,272,438</u></u>

The financial statements were approved and authorised for issue by the Trustees on 29 April 2024 and signed on their behalf by:

DocuSigned by:

 Rt Rev J J S Pryke
 Trustee

The notes on pages 16 to 37 form part of these financial statements.

THE JESMOND TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	22	45,371	13,097
Cash flows from investing activities			
Interest received		2,011	107
Proceeds from sale of investments		-	-
Cash disposed of within disposal of undertakings		(85,368)	-
Net cash (used in)/provided by investing activities		(83,357)	107
Cash flows from financing activities			
Repayments of borrowing		(19,574)	(22,645)
Net cash used in financing activities		(19,574)	(22,645)
Change in cash and cash equivalents in the year		(57,560)	(9,441)
Cash and cash equivalents at the beginning of the year		540,907	550,348
Cash and cash equivalents at the end of the year	23	483,347	540,907

The notes on pages 16 to 37 form part of these financial statements

THE JESMOND TRUST

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

1. General information

Jesmond Trust is a charity registered with the Charity Commission in England and Wales. Its registered office is Jesmond Parish Church, Eskdale Terrace, Newcastle upon Tyne NE2 4DJ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Jesmond Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees assess whether the use of the going concern basis is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The trustees make this assessment in respect of a period one year from the date of authorisation of issue of the financial statements and have concluded that the trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

Voluntary income is recognised in the financial statements when it is received, or on an accruals basis where it can be assured with reasonable certainty and is receivable by the balance sheet date. It includes income tax recoverable on voluntary donations which is recognised in the financial statements when it is receivable from HM Revenue and Customs.

All other incoming resources 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 JESMOND TRUST

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

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and support costs involved in undertaking each activity.

Direct costs are those costs that are capable of being allocated directly to a charitable activity.

Support costs are those costs which cannot be attributed to a single activity, such as the administration staff roles. The Charities Statement of Recommended Practice requires that Support costs are separately identified and then allocated between the Charity's activities on a basis consistent with the use of resources. In practice, all support costs are allocated against ministry activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Freehold land and buildings are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

The value of the freehold land and buildings at the end of their useful lives are deemed to be equivalent to their current value and hence these properties are not depreciated.

Gains and losses on revaluation are recognised in the Statement of Financial Activities.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- is not depreciated for the reason provided above
Long-term leasehold property	- is depreciated over the lease term of 99 to 155 years
Plant and equipment	- is depreciated on a 10% straight line basis

2.6 Stocks

Stocks are valued at the lower of cost and net realisable value.

THE JESMOND TRUST

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

2. Accounting policies (continued)

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 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.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Pensions

Staff are able to join the Trust's pension scheme administered by The People's Partnership. The scheme is a defined contribution scheme. The pensions charge in the financial statements is equivalent to the employer's contribution due to the Scheme.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations			
General donations	823,896	-	823,896
World Mission	-	131,092	131,092
Holy Trinity Church, Gateshead	-	3,786	3,786
St Joseph's, Benwell	-	279,603	279,603
Tax recovered on Gift Aid	161,011	84,148	245,159
Legacies	480,000	-	480,000
	<u>1,464,907</u>	<u>498,629</u>	<u>1,963,536</u>

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations			
General donations	1,001,275	-	1,001,275
World Mission	-	174,334	174,334
Holy Trinity Church, Gateshead	-	159,938	159,938
Tax recovered on Gift Aid	230,678	70,426	301,104
	<u>1,231,953</u>	<u>404,698</u>	<u>1,636,651</u>

4. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Income from charitable activities - Direct ministry	<u>97,003</u>	<u>25,983</u>	<u>122,986</u>

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. Income from charitable activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Income from charitable activities - Direct ministry	75,248	31,083	106,331

5. Other incoming resources

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Miscellaneous sales	1,377	-	1,377

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Transition contribution	505	260	765

6. Analysis of expenditure on charitable activities
Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Direct ministry	716,097	393,075	1,109,172
Property	144,440	7,479	151,919
Donations to the PCC	192,426	-	192,426
World Mission	-	213,426	213,426
	1,052,963	613,980	1,666,943

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. Analysis of expenditure on charitable activities (continued)
Summary by fund type (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Direct ministry	938,167	213,888	1,152,055
Property	174,902	-	174,902
Donations to the PCC	215,000	-	215,000
World Mission	-	221,113	221,113
	<u>1,328,069</u>	<u>435,001</u>	<u>1,763,070</u>

7. Exceptional expenditure

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Grant of transfer of assets and undertakings to other churches	<u>2,535,495</u>	<u>2,535,495</u>	<u>-</u>

THE JESMOND TRUST

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

7. Exceptional expenditure (continued)

The Trust has passed over by way of a grant all of the assets and undertakings of two Churches to new Charitable Incorporated Organisations that have been set up to take on the activities of these Churches - Holy Trinity, Gateshead and St Josephs, Benwell.

The assets and undertakings of Holy Trinity, Gateshead were transferred on 5th April 2023. The balance sheet transferred was as set out below:

	£
Church and other land and buildings	1,130,037
Other fixed assets	18,783
Loan	- 69,507
Current assets	1,273
Current liabilities	- 11,376
Net Assets	<u>1,069,210</u>

The undertakings of St Joseph's Benwell were transferred on 30th November 2023 and the majority of its net assets were transferred on the same date. The balance sheet transferred was as set out below:

	£
Church	1,421,326
Equipment and furniture	14,614
Cash	72,774
Other net liabilities transferred	- 42,429
Net Assets	<u>1,466,285</u>

At the year end, some net assets of St Joseph's Benwell were still held by the Trust. These comprised a property and associated loan (which had been retained until legal matters relating to the property had been resolved) along with additional net assets generated from income and expenditure relating to St Joseph's that had accumulated over the year. The value of these remaining net assets is shown within the funds note 18.

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Direct ministry	878,682	230,490	1,109,172
Property	151,919	-	151,919
Donations to the PCC	192,426	-	192,426
World Mission	213,426	-	213,426
	1,436,453	230,490	1,666,943

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Direct ministry	921,590	230,465	1,152,055
Property	174,902	-	174,902
Donations to the PCC	215,000	-	215,000
World Mission	221,113	-	221,113
	1,532,605	230,465	1,763,070

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. Analysis of expenditure by activities (continued)
Analysis of direct costs

	Direct ministry 2023 £	Property 2023 £	PCC 2023 £	World Mission 2023 £	Total funds 2023 £
Staff costs	667,321	-	-	-	667,321
Depreciation	-	24,589	-	-	24,589
Pastoral and prayer	3,544	-	-	-	3,544
Evangelism	45,958	-	-	-	45,958
Discipleship	2,771	-	-	-	2,771
Fellowship and small groups	9,156	-	-	-	9,156
UK Student work	10,161	-	-	-	10,161
Youth work	43,036	-	-	-	43,036
Children's work	11,162	-	-	-	11,162
International student work	4,155	-	-	-	4,155
World Mission teams	102	-	-	-	102
Services	14,637	-	-	-	14,637
Leadership	9,109	-	-	-	9,109
Music	1,160	-	-	-	1,160
Technical	30,120	-	-	-	30,120
Changing Britain	8,656	-	-	-	8,656
Donations to the PCC	-	-	192,426	-	192,426
World Mission payments	-	-	-	213,426	213,426
Staff expenses	3,796	-	-	-	3,796
Staff training	13,838	-	-	-	13,838
Property repairs and maintenance	-	16,311	-	-	16,311
Rates and utilities	-	64,303	-	-	64,303
Other property charges	-	45,354	-	-	45,354
Mortgage Interest	-	1,362	-	-	1,362
	878,682	151,919	192,426	213,426	1,436,453

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. Analysis of expenditure by activities (continued)
Analysis of direct costs (continued)

	<i>Direct ministry 2022 £</i>	<i>Property 2022 £</i>	<i>PCC 2022 £</i>	<i>World Mission 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	716,708	-	-	-	716,708
Depreciation	-	36,527	-	-	36,527
Pastoral and prayer	5,719	-	-	-	5,719
Evangelism	33,627	-	-	-	33,627
Discipleship	3,009	-	-	-	3,009
Fellowship and small groups	10,084	-	-	-	10,084
UK Student work	10,679	-	-	-	10,679
Youth work	28,955	-	-	-	28,955
Children's work	16,246	-	-	-	16,246
International student work	6,295	-	-	-	6,295
World Mission teams	127	-	-	-	127
Services	15,411	-	-	-	15,411
Leadership	11,604	-	-	-	11,604
Music	2,800	-	-	-	2,800
Technical	31,371	-	-	-	31,371
Changing Britain	12,026	-	-	-	12,026
Donations to the PCC	-	-	215,000	-	215,000
World Mission payments	-	-	-	221,113	221,113
Staff expenses	7,262	-	-	-	7,262
Staff training	9,667	-	-	-	9,667
Property repairs and maintenance	-	40,214	-	-	40,214
Rates and utilities	-	42,148	-	-	42,148
Other property charges	-	52,890	-	-	52,890
Mortgage Interest	-	3,123	-	-	3,123
	<u>921,590</u>	<u>174,902</u>	<u>215,000</u>	<u>221,113</u>	<u>1,532,605</u>

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. Analysis of expenditure by activities (continued)
Analysis of support costs

	Direct ministry 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	131,840	131,840	148,965
Other support costs	34,543	34,543	19,556
General office costs	28,856	28,856	29,881
Professional fees	22,268	22,268	20,159
Loan interest payable	8,461	8,461	6,805
Property repairs and maintenance	4,522	4,522	5,099
	230,490	230,490	230,465

Support costs are wholly allocated against Direct Ministry activities, other activities being of a nature that would not be anticipated to attract significant support time and costs.

Professional fees include governance costs inclusive of VAT of £7,620 (2022: £6,926) relating to the preparation and audit of the annual financial statements.

9. Auditors' remuneration

The total auditors' remuneration exclusive of VAT amounts to an auditor fee of £5,954 (2022 - £5,400), and other fees of £13,224 (2022 - £15,606).

10. Staff costs

	2023 £	<i>2022 £</i>
Wages and salaries	701,662	733,955
Social security costs	36,434	51,732
Contribution to defined contribution pension schemes	61,065	79,986
	799,161	865,673

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	<i>2022 No.</i>
Senior workers	7	9
Lay workers	20	15
Administration	7	9
Ministry assistants	-	4
	<u>34</u>	<u><i>37</i></u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel are the Trustees of the charity. Trustees are not remunerated in their role as Trustees.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2022 - £NIL*).

During the year ended 31 December 2023, no Trustee expenses have been incurred (*2022 - £NIL*).

12. Discontinued activities

During the year, the activities relating to the churches of Holy Trinity Gateshead and St Joseph's Benwell were transferred out of the Trust. Further information is provided in note 7. The Statement of Financial activities provides information on the income and expenditure related to those churches.

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Plant and equipment £	Total £
Cost or valuation				
At 1 January 2023	2,686,326	1,328,402	240,199	4,254,927
Disposals	(1,611,326)	(1,108,402)	(165,386)	(2,885,114)
At 31 December 2023	<u>1,075,000</u>	<u>220,000</u>	<u>74,813</u>	<u>1,369,813</u>
Depreciation				
At 1 January 2023	-	177,280	184,206	361,486
Charge for the year	-	4,111	20,479	24,590
On disposals	-	(168,363)	(131,991)	(300,354)
At 31 December 2023	<u>-</u>	<u>13,028</u>	<u>72,694</u>	<u>85,722</u>
Net book value				
At 31 December 2023	<u>1,075,000</u>	<u>206,972</u>	<u>2,119</u>	<u>1,284,091</u>
At 31 December 2022	<u>2,686,326</u>	<u>1,151,122</u>	<u>55,993</u>	<u>3,893,441</u>

Freehold property is carried at fair value which is determined annually by the Trustees using an assessment of current sales data of similar properties at the locations held.

Disposals in the year relate to transfers of fixed assets to two new CIO's as explained more fully in note 7.

The Charity has adopted a policy of revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	2023 £	2022 £
Freehold property	<u>845,000</u>	<u>2,448,153</u>

The Trust's two leasehold properties are carried at historical cost and depreciated over the length of the leases.

Properties with a carrying value of £440,000 are pledged as security for loans obtained to purchase those properties.

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Stocks

	2023 £	2022 £
Finished goods and goods for resale	7,357	7,211
	<u>7,357</u>	<u>7,211</u>

15. Debtors

	2023 £	2022 £
Due within one year		
Amounts owed by the PCC	-	8,307
Other debtors	45,645	1,960
Prepayments and accrued income	15,319	33,618
Tax recoverable	17,253	41,607
Legacies receivable	480,000	-
	<u>558,217</u>	<u>85,492</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	17,400	23,009
Trade creditors	14,364	12,734
Amounts owed to the PCC	10,660	-
Other taxation and social security	-	12,301
Other creditors	900	-
Accruals and deferred income	12,664	15,806
	<u>55,988</u>	<u>63,850</u>

17. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	117,114	190,763
	<u>117,114</u>	<u>190,763</u>

Bank loans totalling £134,514 (2022: £142,145) are secured by a first legal charge over Eslington House.

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

18. Statement of funds**Statement of funds - current year**

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
Unrestricted funds					
General fund	254,523	1,563,136	(1,052,963)	2,119	766,815
Capital reserve	1,075,000	-	-	-	1,075,000
	<u>1,329,523</u>	<u>1,563,136</u>	<u>(1,052,963)</u>	<u>2,119</u>	<u>1,841,815</u>
Restricted funds					
Capital Projects Fund	7,840	-	-	-	7,840
World Mission	229,276	159,383	(213,217)	-	175,442
Holy Trinity Church	1,082,161	7,079	(1,089,240)	-	-
St Joseph's Church	1,587,042	337,538	(1,812,145)	-	112,435
Sports Teams	18,900	22,774	(27,153)	-	14,521
St Josephs Other Projects	3,726	-	(241)	-	3,485
Other Projects	4,372	-	-	-	4,372
	<u>2,933,317</u>	<u>526,774</u>	<u>(3,141,996)</u>	<u>-</u>	<u>318,095</u>
Restricted Capital Funds					
Restricted Capital Reserve	9,598	-	(7,479)	(2,119)	-
	<u>2,942,915</u>	<u>526,774</u>	<u>(3,149,475)</u>	<u>(2,119)</u>	<u>318,095</u>
Total Restricted funds					
	<u>2,942,915</u>	<u>526,774</u>	<u>(3,149,475)</u>	<u>(2,119)</u>	<u>318,095</u>
Total of funds	<u>4,272,438</u>	<u>2,089,910</u>	<u>(4,202,438)</u>	<u>-</u>	<u>2,159,910</u>

THE JESMOND TRUST

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

18. Statement of funds (continued)

Unrestricted Capital Funds. These unrestricted funds hold the value of the Trust's properties.

Restricted Funds

World Mission. The Trust receives income that is restricted for world mission purposes. Payments from the world mission fund are made in accordance with the wishes of the donor or, in the case of income received for general mission purposes, as advised by the vicar and churchwardens of Jesmond Parish Church or any such committee as they decide but at all times subject to the discretion of the trustees.

Holy Trinity Church. Donations and other income received that is allocated by the donors to Holy Trinity Church, Gateshead.

St Josephs. Funds received or held by the Trust that relate to St Josephs, Benwell. During the year the majority of the funds relating to St Josephs were transferred to that Church as explained more fully in note 7. At the year end, the Trust retained a property valued at £206,972 and a related loan £134,513 that forms part of the assets and liabilities of St Joseph's Benwell. This asset and liability remained with the Trust until various legal matters concerned with the transfer had been dealt with. The property was transferred in January 2024 and the Trust received cash from St Joseph's to the value of the related loan at the same date. The Trust also retained funds that had had been generated from net income raised by St Joseph's Benwell during the year ended 31 December 2023, to be transferred shortly.

Capital Projects. This reserve represents unspent monies from a previous May Gift Week.

Sports Teams. The Trust has a Football and a Hockey team. Income generated by these teams is retained for the use of those teams.

The Trust also receives restricted income for other specific projects. Payments from these funds are made only in accordance with the wishes of the donor.

Restricted Capital Funds

These funds held the plant & equipment utilised by the Trust, equivalent to the net book value of those assets.

Following the transfer of various assets from the Trust this year as described in note 7, the residual value of plant & equipment held by the Trust was minimal and a transfer of the value of these residual assets has been made back to general funds this year.

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

18. Statement of funds (continued)
Statement of funds - prior year

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2022 £</i>
Unrestricted funds						
General fund	328,077	1,307,813	(1,328,069)	(53,298)	-	254,523
Capital reserve	3,543,070	-	-	(2,468,070)	-	1,075,000
	<u>3,871,147</u>	<u>1,307,813</u>	<u>(1,328,069)</u>	<u>(2,521,368)</u>	<u>-</u>	<u>1,329,523</u>
Restricted funds						
Capital Projects Fund	7,840	-	-	-	-	7,840
World Mission	240,780	209,728	(221,232)	-	-	229,276
Holy Trinity Church	19,210	200,809	(190,554)	1,047,696	5,000	1,082,161
St Joseph's Church	-	-	-	1,568,936	18,106	1,587,042
Sports Teams	16,309	25,504	(22,913)	-	-	18,900
St Josephs Other Projects	4,028	-	(302)	-	-	3,726
Other Projects	4,236	-	-	136	-	4,372
	<u>292,403</u>	<u>436,041</u>	<u>(435,001)</u>	<u>2,616,768</u>	<u>23,106</u>	<u>2,933,317</u>
Restricted Capital Funds						
Restricted Capital Reserve	104,998	-	-	(95,400)	-	9,598
Total Restricted funds	<u>397,401</u>	<u>436,041</u>	<u>(435,001)</u>	<u>2,521,368</u>	<u>23,106</u>	<u>2,942,915</u>
Total of funds	<u><u>4,268,548</u></u>	<u><u>1,743,854</u></u>	<u><u>(1,763,070)</u></u>	<u><u>-</u></u>	<u><u>23,106</u></u>	<u><u>4,272,438</u></u>

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

19. New Charitable Incorporated Organisation

This Charitable Incorporated Organisation (CIO) is a new entity. On 5th April 2023 the assets and undertakings of the old charity, The Jesmond Trust, were transferred to this CIO. There have been no changes in the activities or governance arrangements of The Jesmond Trust arising from this transfer.

The transfer has been accounted for under merger accounting rules as set out in the Charities Statement of Recommended Practice. This requires that the transactions of the old and new entities are reported together as if a single entity had been operating for the entire period. The figures in these financial statements represent the trading of The Jesmond Trust for the full year, regardless of the entity in which the transactions occurred.

The aggregate amount of the net assets of The Jesmond Trust at the transfer date was £4,110,757.

The split of income and expenditure between the pre-and post transfer dates is set out below:

	Pre-transfer	Post-transfer
Total Income	379,842	1,710,068
Total Expenditure	541,519	3,660,919
Net Income / (Expenditure)	(161,677)	(1,950,851)

20. Summary of funds
Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
General funds	1,329,523	1,563,136	(1,052,963)	2,119	1,841,815
Restricted funds	2,933,317	526,774	(3,141,996)	-	318,095
Restricted funds - Class II	9,598	-	(7,479)	(2,119)	-
	4,272,438	2,089,910	(4,202,438)	-	2,159,910

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

20. Summary of funds (continued)
Summary of funds - prior year

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2022 £</i>
General funds	3,871,147	1,307,813	(1,328,069)	(2,521,368)	-	1,329,523
Restricted funds	292,403	436,041	(435,001)	2,616,768	23,106	2,933,317
Restricted funds - Class II	104,998	-	-	(95,400)	-	9,598
	<u>4,268,548</u>	<u>1,743,854</u>	<u>(1,763,070)</u>	<u>-</u>	<u>23,106</u>	<u>4,272,438</u>

21. Analysis of net assets between funds
Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,077,119	206,972	1,284,091
Current assets	803,284	245,637	1,048,921
Creditors due within one year	(38,588)	(17,400)	(55,988)
Creditors due in more than one year	-	(117,114)	(117,114)
Total	<u>1,841,815</u>	<u>318,095</u>	<u>2,159,910</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted capital reserve 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	1,074,999	2,808,844	9,598	3,893,441
Current assets	283,810	349,800	-	633,610
Creditors due within one year	(29,286)	(34,564)	-	(63,850)
Creditors due in more than one year	-	(190,763)	-	(190,763)
Total	<u>1,329,523</u>	<u>2,933,317</u>	<u>9,598</u>	<u>4,272,438</u>

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Analysis of net assets between funds (continued)
22. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(2,112,528)	(19,216)
Adjustments for:		
Depreciation charges	24,590	36,528
Interest receivable	(2,011)	(106)
Interest payable	9,823	-
Decrease/(increase) in stocks	(146)	986
Increase in debtors	(472,725)	(8,814)
Increase/(decrease) in creditors	(2,253)	3,719
Exceptional expenditure - grant of transfer to new entities	2,535,495	-
Adjustment for net non-cash liabilities transferred within grant	65,126	-
Net cash provided by operating activities	45,371	13,097

23. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	483,347	540,907
Total cash and cash equivalents	483,347	540,907

THE JESMOND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

24. Analysis of changes in net debt

	At 1 January 2023	Cash flows	Transfer out to new entities	At 31 December 2023
	£	£	£	£
Cash at bank and in hand	540,907	27,808	(85,368)	483,347
Debt due within 1 year	(23,009)	5,609	-	(17,400)
Debt due after 1 year	(190,763)	4,140	69,509	(117,114)
	<u>327,135</u>	<u>37,557</u>	<u>(15,859)</u>	<u>348,833</u>

25. Pension commitments

The Trust operates a defined contribution pension scheme through The People's Pension. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Trust to the fund and amounted to £61,065 (2022 - £79,986). No amounts were outstanding to the fund at the balance sheet date.

26. Operating lease commitments

At 31 December 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	9,514	3,705
Later than 1 year and not later than 5 years	6,508	5,228
	<u>16,022</u>	<u>8,933</u>

THE JESMOND TRUST

NOTES TO THE FINANCIAL STATEMENTS
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27. Related party transactions

The charity had the following transactions and balances with the Parochial Church Council of Jesmond Parish Church ("the PCC").

	2023 £	2022 £
Donations to the PCC, shown within resources expended	192,426	215,000
Amounts owing (to) / from the PCC at the year end	(10,660)	8,307

The Trust maintains an "inter-company" account with the PCC to ensure proper accounting for costs and donations paid or received in one Trust belonging to the other. Amounts owed at the year end in respect of these transactions are set out above.