

**REGISTERED COMPANY NUMBER: 06056250 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1118739**

**Report of the Trustees and**  
**Financial Statements for the Year Ended 31st March 2021**  
**for**  
**Grace Church Chichester**

Sheen Stickland  
Chartered Accountants  
7 East Pallant  
Chichester  
West Sussex  
PO19 1TR

**Grace Church Chichester**

**Contents of the Financial Statements  
for the Year Ended 31st March 2021**

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**Report of the Trustees  
for the Year Ended 31st March 2021**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and activities**

The objectives of the Charity, as laid out in the governing document, are:

- (a) To advance the Christian faith in accordance with the Statement of Beliefs to Chichester, the United Kingdom and the World.
- (b) To relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind to Chichester, the United Kingdom and the World.

The members of the charity believe that a personal knowledge of and relationship with Jesus Christ, the Son of God, is a life transforming experience. The Bible teaches that all Christians should gather together to form a local church (the church being the people, not the venue that they meet in). This Christian community is therefore made up of many individuals - a gathering of ordinary people, young and old, male and female, rich and poor, all nationalities, backgrounds, status etc who come together because their lives have been changed by Jesus Christ (Revelation 7 v 9 describes the church as "a great multitude that no one could count, from every nation, tribe, people and language").

The Bible says that the Church, this community of people, when properly taught and cared for, by loving and serving Jesus Christ will also be committed to love and care for each other and to bring a blessing to the area in which they live and to further afield.

Grace Church, its Trustees, Elders and members are committed to building a church family that closely reflects New Testament principles. Grace Church is not alone in this, there are many churches all around the world that share this belief and desire to see people all over the world come into a personal experience of knowing Jesus Christ as their Lord, Saviour and friend. In particular, Grace Church works closely with other churches that are part of the Commission group of Churches to help fulfil this vision worldwide.

Grace Church believes that the spread of the Christian faith brings with it great public benefit. The Christian faith includes a vision for peace and social harmony, and that faith gives meaning and purpose to people's lives and contributes to their well-being. As the charity undertakes its activities and fulfils its objectives, we expect to see many people becoming Christians, starting and developing their own relationship with Jesus Christ; and this will have the effect of transforming individual lives, families and whole societies for good. The Christian Church, when operating correctly will transmit morals, ethics and values to this and future generations and create societal bonds and cohesion that will overcome all barriers.

People are most likely to become disciples of Jesus and grow in their Christian faith if Christians live a Christ-like life amongst them, share the good news of Jesus, demonstrate God's love and prayerfully expect the Holy Spirit's power to transform individuals, communities and whole nations. This is best done through the Church and its activities. The beliefs and practices of the Christian Church are therefore capable of advancing religion for the purposes of charity law and promoting the morals and ethics of the Christian faith is deemed in law to be capable of impacting upon the public in a beneficial way.

During the last year much of the normal way of working of the charity has been impacted by the global COVID-19 pandemic. Despite this challenge, Grace Church has fulfilled the above objectives by:

- 1. Holding regular church meetings to worship God and to train, teach and care for the church members; to equip them as effective Christians.
- 2. Preaching the gospel, and planning and implementing an on-going strategy of evangelism in Chichester, Bognor Regis, Midhurst, Havant and the surrounding areas.
- 3. Providing pastoral support and care (and practical support and provision where appropriate) for those who participate.
- 4. Facilitating and equipping teams of volunteers to run church activities, to care for one-another and to share the gospel with others.

## Grace Church Chichester

### Report of the Trustees for the Year Ended 31st March 2021

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5. Providing training and encouragement to all individuals to live a Christ-like lifestyle of prayer and commitment to God.
6. Continuing to run or support a range of 'GraceWorks' projects that directly provide social benefit and care to the community.

To achieve this, amongst other things the principle activities of the church have included:

1. Online Sunday worship and teaching meetings - Although Grace Church normally holds four Sunday meetings each week in four separate locations, Chichester, Bognor Regis, Midhurst and Havant, throughout this last year one meeting was broadcast for access by all four sites. Leaders from each of the sites participated in these meetings.
2. Mid-week "life groups". These are small groups of about 10-15 people that meet in homes during the week, are led by volunteers and enable all church members to support, encourage and build up each other up in the Christian Faith. Grace church now operates 21 life groups serving over 310 people. Throughout the year a number of these groups met via zoom or other social media.
3. Meetings for specific interest groups - Amongst others, these include a Students and 20's ministry, a group for adults with additional needs, both men's and women's ministries, and three parent and toddlers' groups. These were unable to meet in person for much of the year, however, contact was maintained with those who would normally attend.
4. Youth Groups - This normally includes Sunday morning Bible and discipleship classes, and a varied programme of Friday evening events including a youth weekend away although this was not able to happen this year.
5. Alpha Course - The Alpha Course is an internationally recognised course that enables people who do not yet attend a church and have no Christian faith to engage with the church and begin a journey towards understanding and accepting the Christian faith. During this year the Church has run two online Alpha Courses and a Youth Alpha Course (for young people between the ages of 11 and 18).
6. Outreach events - The church has been unable to run its normal outreach events. However, in partnership with West Sussex County Council, it has provided support to the local community helping with shopping and other needs that were identified. In addition, instead of our annual Christmas events, the Church produced a high quality DVD production which was distributed for free to over 4,500 people in the Chichester, Bognor Regis, Midhurst and Havant areas.
7. Discipleship courses - Through the year the church has run a number of discipleship courses and events open to church members as well as the public at large. These have ranged from basic Christian discipleship groups to more advanced training events dealing with pastoral support and Christian growth, including courses aimed at specific needs. These courses were run online and would include:- Pre-marriage counselling and guidance for people getting married- Marriage course (distinct from pre-marriage, for those who are already married or in long-term relationships)- The Bible's Big Story- Faithful Living- Foundations of Christian Living
8. Students and 20s groups - Chichester and Bognor Regis both have campuses of Chichester University with many students attending from homes across the UK and further afield. The church has provided a specific Young Adults group to support these young people, to help them settle in a new place, to make friends, to help equip them for life, and to help them grow in and share their Christian faith.
9. Tuesday Group - The Church operates a group for adults with additional needs called "Tuesday Group". This group was unable to meet over the last year but the Church continued to offer support to adults with additional needs through phone-calls.
10. Children's Groups - The church has an exciting programme of activities for the children who normally attend on a Sunday in all 4 of our Sunday meeting sites. This is divided into two groups - Sparklers, for pre-school children, and Supernovas, for primary school children. During the pandemic we were able to offer this via a weekly online programme which proved to be very popular. The video programme included teaching, worship and activities that could be run at home.
11. Toddler Group - The Church's toddler ministry, "Little Bears" had continued to grow prior to the pandemic. Last year saw the introduction of a third "Little Bears" group in Midhurst. These groups could not meet during the year but some level of contact was made via social media.
12. Prayer meetings - Prayer is a vital element of the Christian life and the church holds regular prayer meetings throughout the year. These continued either via zoom or YouTube.
13. Training and Equipping Leaders - Grace Church has encouraged and supported new leaders within the Church through the Commission Leadership Foundations and Advanced Training Courses.

## **Grace Church Chichester**

### **Report of the Trustees for the Year Ended 31st March 2021**

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The above list of activities is just a snapshot of the church's activities. The full list of the church's events and engagements would be too long to list in full and would almost certainly miss out some activities. This is particularly the case because almost all that the church does is resourced, managed and led by large teams of volunteers.

Most members of Grace Church are actively involved in serving in some way or other and many people are involved with several teams. It would not be an overstatement to say that the number of people involved as a volunteer in some way each week would run into the hundreds if they were counted. As well as the church's organised teams of volunteers many members of Grace Church are also involved in helping and supporting other members on a pastoral level and everyone is encouraged to live a Christ-like lifestyle that engages positively with those around them and actively does good to those they meet.

#### **Achievement and performance**

##### **Review of the year**

The church has continued to attract new members during the year, even though most of the activities have been online. Indeed, some have discovered the church through the online events, and has trained, developed and disciplined those who are attending.

Grace Church continues to operate as a multi-site church and the Trustees and Elders are pleased to report that all sites are strong and well-established, but the church remains flexible in the way that the ministry is fulfilled to enable further capacity and capability for growth.

With Phase 1 of the renovation of The Grace Centre (the Church's building in Chichester) completed, the church planned for the refurbishment of the kitchen and roof maintenance. Quotations were sought prior to work commencing in the new financial year. Storage facilities were built during the year.

The Church welcomed Jonny Holder as a new member of staff in September. Jonny had already held senior responsibility as an elder on a voluntary basis. He leads our Bognor Site Team, oversees the children's ministry as well as many other senior leadership responsibilities.

The Church continues to be ably served by its Eldership team. This team consists of David Thompson (Lead Elder), Thomas Bishop, Joe Leach, Steve Blaber, Johnny Holder and Simpson Charlton.

As Grace Church is a multi-site church, the church's team of site-specific leaders continue to operate well. This team of 13 members regularly meets with the church senior leadership and provides a permanent leadership presence at the four sites to lead all activities relating to that site.

Grace Church also continues to take an active role in its local communities. The Church's "GraceWorks" programme encompasses many of its activities in the community. Such activities include:

- Foodbank - The Trussell Trust is a national Christian charity that works through partnership with groups of local churches to provide Foodbanks, emergency food supplies for anyone in crisis. Grace Church supports Foodbank in several ways including providing volunteering and food collection. In addition, this last year members of the church prepared and delivered well in excess of 220 gift and food parcels for those in temporary accommodation at Christmas.
- Services to prisoners - A team from Grace Church continues to go into Ford Open Prison to run services, The Alpha Course and a weekly Life Group although these activities could not continue during the pandemic. The aim of these services is to show the love of Jesus to the prisoners who attend, to help them understand the gospel and to train and encourage those who already have a faith.
- Ford Forward - Alongside its ministry with Ford Prison, Grace Church is pleased to support the work of Ford Forward as a partner. The purpose of Ford Forward is to offer practical support to prisoners prior to, during and post release, including support to their families.
- Pregnancy Options Centre in Chichester - Grace Church is pleased to support the work of the Pregnancy Options Centre. The aim of this charity is to see loving kindness at work in our community. The Options team offer understanding, compassion and practical care for those in pregnancy crisis situations.
- Syrian Refugees in Chichester and Bognor Regis - Grace Church works with local government and housing agencies to settle and support refugees as a part of the national Syrian refugee relocation program.

## **Grace Church Chichester**

### **Report of the Trustees for the Year Ended 31st March 2021**

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The church has continued to be part of the Commission family of churches. Grace Church has apportioned Commission financially and practically by providing leadership input to support Commission's Churches around the South and South West of England.

The Trustees are very grateful to the number of volunteers that serve so faithfully each week. Without the hundreds of people who give up their time and energy the church would not be able to fulfil its aims and objectives.

#### **Financial review**

##### **Financial position**

The Trustees and Elders set a budget (Income and Expenditure) at the start of the year and this was monitored closely through the year with the Trustees and Elders receiving monthly written reports, as well as verbal reports during Trustee and Elders meetings.

2020/21 expenditure was originally budgeted at £518,471 and the Trustees and Elders agreed to try and achieve enough income to match this annual expenditure budget. This budget was forecasted in February 2020 before the pandemic took hold. Budgets were revised throughout the year as variations in income and expenditure were forecast and Trustees were given regular reports speaking into significant changes. These referred to changes to expected donation trends and reduced costs associated with in-person meetings (venue rental, materials costs, etc).

Excluding contributions to the restricted Buildings Fund, Grace Church finished this year with a total income of £450,806 which was on target for our regular offering (noting we had planned to hold a special offering to bridge the gap between the regular offering and originally forecast budget). At the end of the year church total expenditure was £438,434, resulting in a surplus of £30,412 which was met from General Reserves. As a surplus was made, no special offering was needed.

We continue to generate the majority of our income through regular donations from the church congregation and visitors but have received a small amount of income (restricted) from an external grant-maker to support the development of an internal kitchen area. This was £2,300 from The Allchurches Trust.

No legacies were received during the year.

Trustees and Elders continue to review all incomes and expenses closely, forecasting month by month, paying close attention to any potential risks and impacts. Encouragingly, we have currently seen little impact on charitable giving as a result of the Covid-19 pandemic but continue to monitor the situation on a monthly basis.

Grace Church finished this year with a general fund balance of £595,507. The Building Fund stands at £42,941. These remaining building funds will be designated towards the development and continued renovation of the Grace Centre and or other owned assets associated with our building.

The Trustees and Elders are therefore pleased to report that the financial performance of the church is steady this year and are confident that the church operates good financial controls. This can be evidenced in the attached accounts.

#### **Future plans**

As the country begins to come out of lockdown, The Church's plans for the coming months will need to adapt accordingly. There will continue to be a mixture of online and face to face meetings. The trustees are undertaking to assess risks to the church and charity income, which whilst not immediately impacted by this crisis, is likely to see change as a result of any economic downturn and the inevitable implications on the employment of members of the church.

However, the Church continues to operate a similar range of activities for the coming year, ensuring our religious and educational aims are fulfilled.

The church will keep abreast of developments and guidance from the health authorities, councils and UK government and will always work within these frameworks. We have stayed in contact with our partners and suppliers (including the schools from whom we rent our Bognor, Midhurst and Havant venues) to secure and plan the resumption of meetings as appropriate at our geographical sites as soon as it is safe and practicable to achieve (with appropriate risk assessments and safety measures in place).

## **Grace Church Chichester**

### **Report of the Trustees for the Year Ended 31st March 2021**

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Therefore, in addition to the Church's normal operations, the leadership team plans to develop the Church online presence further to meet the needs of people where they are, whether that is in person at one of our geographical sites, or online as part of our continued online service delivery. Grace Church is planning to emerge from the pandemic crisis stronger and more determined than when it went in.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The Charity was created by Memorandum and Articles of Association, incorporated on 17 January 2007.

### **Recruitment and appointment of new trustees**

Vacancies are filled from within the church membership (or if suitable experience and/or skill is not available, from other Christian churches with whom the church is in good relationship). The Church Elders and Trustees will nominate, discuss and approve any candidates for the role of Trustee. The individual is then consulted / interviewed by at least one member of the Eldership and Trustee team. After feedback to the rest of the Eldership and Trustees, if everyone is in agreement the individual will be appointed.

### **Decision making**

The day to day work of the charity is managed by the Eldership team and all decision-making authority is delegated to this team. The Eldership team meets with the Trustees at least quarterly and will report on progress, issues, finances and any other relevant items. The Trustees are available to the Eldership for discussion by telephone, email or face to face between Trustee meetings if needed.

### **Induction and training of new trustees**

All new Trustees are given appropriate briefing and induction training by the Lead Elder and/or Chair of Trustees. They will be made aware of relevant Charity Commission publications that they can access via the Charity Commission's website.

### **Wider network**

Grace Church has membership and/or relationships with several wider organisations. These organisations include:

- Grace Church is part of the Commission family of Churches, which is part of Newfrontiers.
- Grace Church is a member of the Evangelical Alliance.
- Grace Church plays a part in local networks of churches including Churches together in Chichester and Churches together in Bognor Regis.
- Grace Church continues its partnership with Compassion UK to financially support the work of the Kairos Child Survival Unit in the Philippines. In addition to this, individual members of the church sponsor approximately 170 children through Compassion UK.

### **Risk management**

All activities of the church are covered by risk assessments and actions are taken to minimise all operating risks to an acceptable level. Risk Assessments are monitored and reviewed regularly by the church's Operations Manager on behalf of, and with support from, the Trustees.

The largest individual risk to the church has been identified as the death or incapacity of a member of the church's leadership team. If such a thing were to occur, the Trustees and other members of the leadership team would meet with the senior regional leaders from the Commission network of churches to discuss and agree what actions need to be taken to enable the church to continue to function and meet its goals and objectives.

### **Public benefit**

The Charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the Charity has achieved this are provided within this report. The trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the Charity should undertake.

**Grace Church Chichester**

**Report of the Trustees  
for the Year Ended 31st March 2021**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

06056250 (England and Wales)

**Registered Charity number**

1118739

**Registered office**

The Grace Centre  
29 Terminus Road  
Chichester  
West Sussex  
PO19 8TX

**Trustees**

T Goodge Chairman  
J L Groves  
Mrs K Bishop  
A Clark  
D Thompson Lead Elder – resigned 04.07.2021  
D E Nicholls  
J E Leach – appointed 08.09.2021

**Company Secretary**

S D Taylor

**Independent Examiner**

A C Kensett FMAAT FCCA  
Sheen Stickland  
Chartered Accountants  
7 East Pallant  
Chichester  
West Sussex  
PO19 1TR

**Bankers**

HSBC Bank Plc  
4 Robertson Street  
Hastings  
East Sussex  
TN34 1HW

**Senior staff members to whom daily management of the Charity is delegated**

David Thompson	Lead Elder/Trustee – resigned 04.07.2021
Joseph Leach	Elder/Trustee – appointed 08.09.2021
Stephen Blaber	Elder
Johnny Holder	Elder
Simon Taylor	Operations Manager

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..... 9/11/21 ..... and signed on the board's behalf by:

.....  
T Goodge - Trustee

**Independent Examiner's Report to the Trustees of  
Grace Church Chichester**

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**Independent examiner's report to the trustees of Grace Church Chichester ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2021.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of the Association of chartered Certified Accountants which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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



A C Kensett FMAAT FCCA  
Sheen Stickland  
Chartered Accountants  
7 East Pallant  
Chichester  
West Sussex  
PO19 1TR

Date: .....10.11.2021.....

**Grace Church Chichester**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31st March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	444,806	20,746	465,552	643,929
<b>Charitable activities</b>	4				
Church Activities		160	260	420	12,183
Investment income	3	1,549	25	1,574	603
Other income		<u>1,300</u>	<u>-</u>	<u>1,300</u>	<u>-</u>
<b>Total</b>		447,815	21,031	468,846	656,715
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	5				
Church Activities		429,634	8,800	438,434	504,457
<b>NET INCOME/(EXPENDITURE)</b>		18,181	12,231	30,412	152,258
<b>Transfers between funds</b>	17	<u>(4,371)</u>	<u>4,371</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		13,810	16,602	30,412	152,258
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		831,924	48,593	880,517	728,259
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>845,734</u>	<u>65,195</u>	<u>910,929</u>	<u>880,517</u>

**Grace Church Chichester**

**Balance Sheet  
31st March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	1,549,398	-	1,549,398	1,546,724
<b>CURRENT ASSETS</b>					
Debtors	12	80,589	15,438	96,027	99,042
Cash at bank and in hand		<u>110,269</u>	<u>49,757</u>	<u>160,026</u>	<u>158,389</u>
		190,858	65,195	256,053	257,431
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>(74,735)</u>	-	<u>(74,735)</u>	<u>(71,296)</u>
<b>NET CURRENT ASSETS</b>		<u>116,123</u>	<u>65,195</u>	<u>181,318</u>	<u>186,135</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,665,521	65,195	1,730,716	1,732,859
<b>CREDITORS</b>					
Amounts falling due after more than one year	14	<u>(819,787)</u>	-	<u>(819,787)</u>	<u>(852,342)</u>
<b>NET ASSETS</b>		<u>845,734</u>	<u>65,195</u>	<u>910,929</u>	<u>880,517</u>
<b>FUNDS</b>	17				
Unrestricted funds				845,734	831,924
Restricted funds				<u>65,195</u>	<u>48,593</u>
<b>TOTAL FUNDS</b>				<u>910,929</u>	<u>880,517</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

**Grace Church Chichester**

**Balance Sheet - continued**  
**31st March 2021**

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The financial statements were approved by the Board of Trustees and authorised for issue on  
..... 9/11/21 ..... and were signed on its behalf by:



.....  
J E Leach - Trustee



.....  
T Goodge - Trustee

**Grace Church Chichester**

**Cash Flow Statement  
for the Year Ended 31st March 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	65,396	158,923
Interest paid		<u>(21,969)</u>	<u>(27,923)</u>
Net cash provided by operating activities		<u>43,427</u>	<u>131,000</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(14,944)	(304,827)
Sale of tangible fixed assets		1,300	-
Interest received		<u>326</u>	<u>603</u>
Net cash used in investing activities		<u>(13,318)</u>	<u>(304,224)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		<u>(28,472)</u>	<u>(24,482)</u>
Net cash used in financing activities		<u>(28,472)</u>	<u>(24,482)</u>
		<u>          </u>	<u>          </u>
<b>Change in cash and cash equivalents in the reporting period</b>		1,637	(197,706)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>158,389</u>	<u>356,095</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>160,026</u></u>	<u><u>158,389</u></u>

The notes form part of these financial statements

**Grace Church Chichester**

**Notes to the Cash Flow Statement  
for the Year Ended 31st March 2021**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	30,412	152,258
<b>Adjustments for:</b>		
Depreciation charges	12,270	5,623
(Profit)/loss on disposal of fixed assets	(1,300)	956
Interest received	(326)	(603)
Interest paid	21,969	27,923
Decrease in debtors	3,015	28,845
Increase/(decrease) in creditors	(644)	(56,079)
<b>Net cash provided by operations</b>	<u>65,396</u>	<u>158,923</u>

**2. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.4.20 £	Cash flow £	At 31.3.21 £
<b>Net cash</b>			
Cash at bank and in hand	<u>158,389</u>	<u>1,637</u>	<u>160,026</u>
	<u>158,389</u>	<u>1,637</u>	<u>160,026</u>
<b>Debt</b>			
Debts falling due within 1 year	(21,624)	(4,083)	(25,707)
Debts falling due after 1 year	<u>(852,342)</u>	<u>32,555</u>	<u>(819,787)</u>
	<u>(873,966)</u>	<u>28,472</u>	<u>(845,494)</u>
<b>Total</b>	<u>(715,577)</u>	<u>30,109</u>	<u>(685,468)</u>

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

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

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Governance costs**

Governance costs include costs of the preparation and examination of statutory accounts, the costs of the trustees' meetings and cost of any legal advice to the trustees on governance or constitutional matters.

**Tangible fixed assets**

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

Motor vehicles	- 20% on cost
Computer equipment	- 33% on reducing balance
Freehold property	- 2% on cost

Tangible fixed assets for use by the Charity are capitalised if they have a useful life of more than one year and cost at least £2,000. They are valued at cost or, if gifted, at the value to the Charity on receipt.

**Taxation**

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

**Fund accounting**

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

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

**Grace Church Chichester**

**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2021**

**1. ACCOUNTING POLICIES - continued**

**Operating lease commitments**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**2. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Gift aided giving	298,822	381,655
Gifts, tithes & offerings	89,605	160,625
Gift aid	77,125	94,281
Legacies	-	7,368
	<u>465,552</u>	<u>643,929</u>

**3. INVESTMENT INCOME**

	2021	2020
	£	£
Rents received	1,248	-
Deposit account interest	<u>326</u>	<u>603</u>
	<u>1,574</u>	<u>603</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	2021	2020
		£	£
Church activities	Church Activities	<u>420</u>	<u>12,183</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Church Activities	<u>361,475</u>	<u>47,201</u>	<u>29,758</u>	<u>438,434</u>

# Grace Church Chichester

## Notes to the Financial Statements - continued for the Year Ended 31st March 2021

### 6. GRANTS PAYABLE

	2021	2020
	£	£
Church Activities	<u>47,201</u>	<u>45,940</u>

Grants made to institutions and individuals for the furtherance of the Charity's objects were:

<b>Institutions</b>	£
Compassion	8,500
Commission - General	13,000
Commission Apostolic Trust	7,000
Pregnancy Options Centre, Chichester	1,200
John 3:16 (Adrian Holloway)	500
Christians Against Poverty	780
Clarendon Trust	1,000
St Wilfrid's Hospice	500
Heart	1,000
Food Bank	1,000
Other	650

35,130

<b>Individuals</b>	<u>12,071</u>
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### 7. SUPPORT COSTS

	Finance	Governance	Totals
	£	costs	£
Church Activities	<u>22,600</u>	<u>7,158</u>	<u>29,758</u>

### 8. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Independent examination fees	3,120	3,000
Depreciation - owned assets	12,270	5,622
Surplus/(deficit) on disposal of fixed assets	<u>(1,300)</u>	<u>956</u>

### 9. TRUSTEES' REMUNERATION AND BENEFITS

During the financial year trustee D Thompson received £48,473 in salary related payments as Pastor of Grace Church Chichester and in furthering the Charity's objects. Pension contributions were also made totalling £3,393.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2021 nor for the year ended 31st March 2020.

No other payments were made to trustees or any persons connected with them during this financial period.

**Grace Church Chichester**

**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2021**

**10. STAFF COSTS**

	2021 £	2020 £
Wages and salaries	226,491	189,153
Social security costs	12,124	13,968
Other pension costs	15,529	13,127
	<u>254,144</u>	<u>216,248</u>

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

	2021 <u>8</u>	2020 <u>5</u>
Charitable activities		

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

**11. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1st April 2020	1,532,356	7,535	5,150	24,301	1,569,342
Additions	-	2,568	-	12,376	14,944
Disposals	<u>-</u>	<u>-</u>	<u>(2,400)</u>	<u>-</u>	<u>(2,400)</u>
At 31st March 2021	<u>1,532,356</u>	<u>10,103</u>	<u>2,750</u>	<u>36,677</u>	<u>1,581,886</u>
<b>DEPRECIATION</b>					
At 1st April 2020	-	1,507	4,050	17,061	22,618
Charge for year	5,903	1,849	550	3,968	12,270
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(2,400)</u>	<u>-</u>	<u>(2,400)</u>
At 31st March 2021	<u>5,903</u>	<u>3,356</u>	<u>2,200</u>	<u>21,029</u>	<u>32,488</u>
<b>NET BOOK VALUE</b>					
At 31st March 2021	<u>1,526,453</u>	<u>6,747</u>	<u>550</u>	<u>15,648</u>	<u>1,549,398</u>
At 31st March 2020	<u>1,532,356</u>	<u>6,028</u>	<u>1,100</u>	<u>7,240</u>	<u>1,546,724</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Other debtors	81,910	99,042
Prepayments	14,109	-
	<u>96,019</u>	<u>99,042</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st March 2021

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Bank loans and overdrafts (see note 15)	25,707	21,624
Social security and other taxes	6,098	6,360
Other creditors	40,050	40,432
Accruals and deferred income	<u>2,880</u>	<u>2,880</u>
	<u>74,735</u>	<u>71,296</u>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021	2020
	£	£
Bank loans (see note 15)	<u>819,787</u>	<u>852,342</u>

**15. LOANS**

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>25,707</u>	<u>21,624</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>26,768</u>	<u>22,966</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>86,672</u>	<u>76,951</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments:		
Bank loans more 5 yrs non-inst	<u>706,347</u>	<u>752,425</u>

**16. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	1,488	1,488
Between one and five years	<u>3,720</u>	<u>5,208</u>
	<u>5,208</u>	<u>6,696</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st March 2021

## 17. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	611,372	(11,494)	(4,371)	595,507
Gift Day Designated Fund	220,392	29,675	-	250,067
Youth	<u>160</u>	<u>-</u>	<u>-</u>	<u>160</u>
	831,924	18,181	(4,371)	845,734
<b>Restricted funds</b>				
Building Fund	24,901	18,040	-	42,941
Josh G	-	(4,371)	4,371	-
Syrian Family	1,192	-	-	1,192
Hardship	22,500	(1,698)	-	20,802
Events	<u>-</u>	<u>260</u>	<u>-</u>	<u>260</u>
	<u>48,593</u>	<u>12,231</u>	<u>4,371</u>	<u>65,195</u>
<b>TOTAL FUNDS</b>	<u>880,517</u>	<u>30,412</u>	<u>-</u>	<u>910,929</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	417,590	(429,084)	(11,494)
Gift Day Designated Fund	<u>30,225</u>	<u>(550)</u>	<u>29,675</u>
	447,815	(429,634)	18,181
<b>Restricted funds</b>			
Building Fund	18,040	-	18,040
Josh G	1,029	(5,400)	(4,371)
Hardship	1,702	(3,400)	(1,698)
Events	<u>260</u>	<u>-</u>	<u>260</u>
	<u>21,031</u>	<u>(8,800)</u>	<u>12,231</u>
<b>TOTAL FUNDS</b>	<u>468,846</u>	<u>(438,434)</u>	<u>30,412</u>

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
<b>Unrestricted funds</b>				
General fund	394,475	(22,650)	239,547	611,372
Gift Day Designated Fund	131,418	100,120	(11,146)	220,392
Youth	<u>350</u>	<u>240</u>	<u>(430)</u>	<u>160</u>
	526,243	77,710	227,971	831,924
<b>Restricted funds</b>				
Building Fund	200,291	79,773	(255,163)	24,901
Compassion UK	-	60	(60)	-
Josh G	-	(3,987)	3,987	-
Syrian Family	1,725	(533)	-	1,192
Hardship	-	2,500	20,000	22,500
Misson Trip	<u>-</u>	<u>(3,265)</u>	<u>3,265</u>	<u>-</u>
	<u>202,016</u>	<u>74,548</u>	<u>(227,971)</u>	<u>48,593</u>
<b>TOTAL FUNDS</b>	<u>728,259</u>	<u>152,258</u>	<u>-</u>	<u>880,517</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	455,141	(477,791)	(22,650)
Gift Day Designated Fund	100,670	(550)	100,120
Youth	<u>240</u>	<u>-</u>	<u>240</u>
	556,051	(478,341)	77,710
<b>Restricted funds</b>			
Building Fund	85,576	(5,803)	79,773
Compassion UK	60	-	60
Josh G	1,713	(5,700)	(3,987)
Syrian Family	-	(533)	(533)
Hardship	2,500	-	2,500
Misson Trip	<u>10,815</u>	<u>(14,080)</u>	<u>(3,265)</u>
	<u>100,664</u>	<u>(26,116)</u>	<u>74,548</u>
<b>TOTAL FUNDS</b>	<u>656,715</u>	<u>(504,457)</u>	<u>152,258</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st March 2021

## 17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	394,475	(34,144)	235,176	595,507
Gift Day Designated Fund	131,418	129,795	(11,146)	250,067
Youth	<u>350</u>	<u>240</u>	<u>(430)</u>	<u>160</u>
	526,243	95,891	223,600	845,734
<b>Restricted funds</b>				
Building Fund	200,291	97,813	(255,163)	28,832
Compassion UK	-	60	(60)	-
Josh G	-	(8,358)	8,358	-
Syrian Family	1,725	(533)	-	1,192
Hardship	-	802	20,000	20,802
Misson Trip	-	(3,265)	3,265	-
Events	<u>-</u>	<u>260</u>	<u>-</u>	<u>260</u>
	202,016	86,779	(223,600)	65,195
<b>TOTAL FUNDS</b>	<u>728,259</u>	<u>182,670</u>	<u>-</u>	<u>910,929</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	872,731	(906,875)	(34,144)
Gift Day Designated Fund	130,895	(1,100)	129,795
Youth	<u>240</u>	<u>-</u>	<u>240</u>
	1,003,866	(907,975)	95,891
<b>Restricted funds</b>			
Building Fund	103,616	(5,803)	97,813
Compassion UK	60	-	60
Josh G	2,742	(11,100)	(8,358)
Syrian Family	-	(533)	(533)
Hardship	4,202	(3,400)	802
Misson Trip	10,815	(14,080)	(3,265)
Events	<u>260</u>	<u>-</u>	<u>260</u>
	121,695	(34,916)	86,779
<b>TOTAL FUNDS</b>	<u>1,125,561</u>	<u>(942,891)</u>	<u>182,670</u>

**17. MOVEMENT IN FUNDS - continued**

**Restricted funds**

Building fund	: giving for the building and venue needs of Grace Church
Compassion UK	: giving for Child Dependency Unit, Philippines
Josh G	: collection and sending of funds to support Josh Garraway in Turkey
Syrian Family	: fund set up to enable the church to purchase required goods to help settle a refugee family in Chichester.
Hardship	: giving to support others through the Covid-19 crisis.
Events	: money from charging members for attending events; to be used as the need arises.

**Transfers between funds**

Where restricted funds expenditure exceeds income, a transfer of funds is made from the general fund to make up for the shortfall.

**18. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31st March 2021.

**Grace Church Chichester**

**Detailed Statement of Financial Activities  
for the Year Ended 31st March 2021**

	2021 £	2020 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Gift aided giving	298,822	381,655
Gifts, tithes & offerings	89,605	160,625
Gift aid	77,125	94,281
Legacies	-	7,368
	465,552	643,929
<b>Investment income</b>		
Rents received	1,248	-
Deposit account interest	326	603
	1,574	603
<b>Charitable activities</b>		
Church activities	420	12,183
<b>Other income</b>		
Gain on sale of tangible fixed assets	1,300	-
<b>Total incoming resources</b>	468,846	656,715
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	226,491	189,153
Social security	11,069	13,968
Pensions	15,529	13,127
Light and heat	6,622	6,612
Telephone	3,739	2,795
Advertising	2,361	7,810
Sundries	4,414	3,196
Activities & events	6,239	18,420
Conferences & training	5,415	16,134
Equipment costs	16,352	17,335
Leadership team	1,957	3,062
Printing, postage & stationary	3,513	5,858
Rent, rates & service charges	10,209	55,793
Repairs & maintenance	29,691	19,679
Running costs	608	1,914
Sundry payroll costs	203	671
The youth & children	3,787	19,426
Travel & subsistence	905	20,913
Worship team	110	527
Freehold property	5,903	-
Plant and machinery	1,849	1,507
Carried forward	358,021	417,900

**Grace Church Chichester**

**Detailed Statement of Financial Activities  
for the Year Ended 31st March 2021**

	2021 £	2020 £
<b>Charitable activities</b>		
Brought forward	358,021	417,900
Motor vehicles	550	550
Computer equipment	3,968	3,566
Loss on sale of tangible fixed assets	-	956
Grants to institutions	35,130	37,857
Grants to individuals	<u>12,071</u>	<u>8,083</u>
	408,676	468,912
<b>Support costs</b>		
<b>Finance</b>		
Bank charges	631	919
Bank loan charges and interest	<u>21,969</u>	<u>27,923</u>
	22,600	28,842
<b>Governance costs</b>		
Independent examination fees	3,120	3,000
Insurance	3,985	3,690
Professional fees	<u>53</u>	<u>13</u>
	<u>7,158</u>	<u>6,703</u>
Total resources expended	<u>438,434</u>	<u>504,457</u>
<b>Net income</b>	<u><u>30,412</u></u>	<u><u>152,258</u></u>