

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

Report of the Trustees and
Financial Statements for the Year Ended 31st March 2022
for
Grace Church Chichester

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

	Page
Report of the Trustees	1 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10 to 11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 22
Detailed Statement of Financial Activities	23 to 24

**Report of the Trustees
for the Year Ended 31st March 2022**

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 2022. 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, in such ways and in such parts of Chichester, the United Kingdom and the World as the trustees see fit.
- (b) To relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of Chichester, the United Kingdom and the World as the trustees see fit.

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.

**Report of the Trustees
for the Year Ended 31st March 2022**

OBJECTIVES AND ACTIVITIES

Objectives and activities

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

1. Holding regular church meetings online via YouTube and Zoom, and from July 2021 in person. These meetings have been 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 our principal locations as well as their 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.
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 principal activities of the church have included:

1. Online Sunday worship and teaching meetings - although pre-pandemic Grace Church normally held four Sunday meetings each week in four separate locations. A review of circumstances at each site was undertaken and at present we are meeting in three of our four venues. Weekly meetings resumed in Chichester, Bognor Regis and Havant. Our Midhurst site has remained closed and members of the church from the south downs towns and villages now attend services in Chichester. This situation remains under review, with the next follow up discussion planned for December 2022.
2. Mid-week "life groups" - these are small groups of about 10-15 people that normally meet in homes during the week, are led by volunteers and enable all church members to support, encourage and build each other up in the Christian faith. Grace Church now operates 20 life groups serving over 300 people.
3. Meetings for specific interest groups - amongst others, these include a student and 20's ministry, a group for adults with additional needs, both men's and women's ministries, and two parent and toddlers' group. These resumed meetings from autumn 2021.
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 one in-person Alpha Course at the Grace Centre, attracting 38 attendees and helpers.
6. Outreach events - in 2021/22 the church couldn't undertake its usual spring and summer outreach activities. However, we were able to hold three successful Christmas carol services. We expect to be in a position to have a significantly higher profile in our local communities in 2022/23 with greater freedoms following the lifting of COVID-19 restrictions.
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
 - Beta Course (a follow on course from Alpha which helps people further develop their faith)
 - Freedom in Christ (a course which explores what the bible teaches about the impact of Christian faith on daily life)
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 resumed meeting together at the Grace Centre monthly from autumn 2021.

**Report of the Trustees
for the Year Ended 31st March 2022**

10. Children's Groups - the church has an exciting programme of activities for the children who normally attend on a Sunday in all 3 of our Sunday meeting sites. This is divided into two groups - Grace Kids (Preschool) for pre-school children, and Grace Kids, for primary school children. Using skills we'd developed during our online kids' work during the pandemic, we have adapted our approach to kids' work for primary aged children to include in-house produced multi-media content including storytelling, worship videos and prayer points.
11. Toddler Group - in September 2021, the Church's toddler ministry, "Little Bears" resumed in our Bognor and Chichester sites. These popular groups for young children and their parents / carers now attract 80 people weekly for our 90-minute Thursday morning sessions.
12. Prayer meetings - prayer is a vital element of the Christian life and the church holds regular prayer meetings throughout the year. In addition to regular in-person prayer meetings, we have now established a weekly Monday morning prayer Zoom at 6:30am, this attracts 30 people to pray together each week.
13. Training and Equipping Leaders - Grace Church has encouraged and supported new leaders within the Church through the Commission Leadership Foundations and Advanced Graduate Training Courses. These courses are run by the Commission Apostolic Trust in conjunction with the Union School of Theology.
14. We were aware that the pandemic had a big impact on people's lives, and particularly the negative effect of a lack of social face to face interaction. We therefore took specific steps to help re-build community. A major initiative was to organise a weekend away for the August Bank Holiday weekend with a mixture of social and spiritual activities for the whole church family. This was held at a campsite in the New Forest with the options for staying on site, in local accommodation or for day visitors. This was open to everyone who had connection with the church and financial support was offered to those who otherwise would be unable to attend. It was a great success and a highlight of the year and went a long way to help rebuild community.
15. We have also held other activities throughout the year to help people re-connect including occasionally gathering for prayer and breakfast on a Saturday morning. This has also proven to be very successful.
16. Many people have moved into the area or connected with the church during the pandemic. We have held several "New Member" mornings to introduce people to the workings of the church.

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.

STRATEGIC REPORT

Achievement and performance

Review of the year

Following our return to sites in July 2021, the church has initially saw a drop in attendance at our venues. Some people were still in isolation due to COVID-19, whilst others had drifted from the church. Over the months, as people gained in confidence, we saw more coming back to church, partly as a result of the events mentioned above. In addition we welcomed a large number of new people to the church.

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.

Development of the Grace Centre has continued this year, with the completed installation of the Ground-floor kitchen, offering professional-quality catering facilities for Sunday morning refreshments as well as groups and modestly sized receptions and parties of up to 85 people.

The Church saw the departure from staff and the board of trustees of David Thompson, who resigned due to personal reasons. We also saw Steve Blaber leave staff through retirements, although he remains a member of the Church eldership team and volunteers his time to support the work of the church. In January 2022 we welcomed Tony Dark onto the staff team as a pastoral support worker in anticipation that he will also be appointed to the eldership team in due course. Tony joined us from New Community Church in Eltham, where he fulfilled a senior pastoral role.

**Report of the Trustees
for the Year Ended 31st March 2022**

The Church continues to be ably served by its Eldership team. This team consists of Joe Leach (Lead Elder - from September 2021), Thomas Bishop, 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 three 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 of 170 gift and food parcels for those in temporary accommodation at Christmas.
- 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.

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

STRATEGIC REPORT

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.

2021/22 expenditure was originally budgeted at £564,000 and the Trustees and Elders agreed to try and achieve enough income to match this annual expenditure budget. This budget was forecasted in February 2021 whilst the church was still operating under some COVID-19 restrictions. Budgets were monitored monthly and variations to the budget were presented to Trustees throughout the year for approval. These referred to changes to expected donation trends and reduced/ increased in anticipated costs (venue rental, materials costs, energy prices etc).

Excluding contributions to the restricted Buildings Fund, Grace Church finished this year with a total income of £481,152 from gifts received in regular and special offerings as well as from a modest income from Grace Centre room hire and other sources. As a result of regular review and forecasting, the budget was revised down significantly and by the end of the year church total expenditure was £470,617, resulting in an income surplus of £10,535.

We continue to generate the majority of our income through regular donations from church members and visitors. 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, COVID-19 did not impact massively on our income position and in fact presented the church with several cost reduction benefits through online operation.

Grace Church finished this year with a general fund balance of £925,214. The Building Fund stands at £nil.

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.

**Report of the Trustees
for the Year Ended 31st March 2022**

STRATEGIC REPORT

Future plans

The church has now transitioned effectively out of lockdown and are now firmly back on our feet. Weekly attendance has grown from 250 back in July 2021 to an average of 275 attending at the year end. With the impact of the war in Ukraine and the world financial situation, inflation rises and the expected cost of living crisis, the church is preparing for another period of uncertainty. Whilst being aware of the possible impact on church finances, we are also considering how to respond to both church members and those in our communities, where additional financial and pastoral support to overcome hardship may be required.

The trustees and management are continuing 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.

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 agrees the individual will be appointed.

Decision making structure

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.

They are also invited to attend relevant training events hosted by the Commission family of churches to which Grace Church belongs.

Wider network / relations

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.

**Report of the Trustees
for the Year Ended 31st March 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

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 1.9.21)
D E Nicholls
J Leach Lead Elder/Trustee (appointed 1.9.21)

Company Secretary

S D Taylor

Independent Examiner

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

**Report of the Trustees
for the Year Ended 31st March 2022**

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 Thompsen	Lead Elder/Trustee - Left 1st September 2021
Joseph Leach	Elder - Appointed Lead Elder 1st September 2021
Stephen Blaber	Elder - Retired 31 March 2022
Johnny Holder	Elder
Anthony Dark	Elder - Appointed 1st January 2022
Simon Taylor	Operations Manager

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on21/09/22..... and signed on the board's behalf by:



.....
J Leach - Trustee

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

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 2022.

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
The Association of Chartered Certified Accountants
Sheen Stickland
Chartered Accountants
7 East Pallant
Chichester
West Sussex
PO19 1TR

Date:19.10.2022.....

Grace Church Chichester

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31st March 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	482,356	13,533	495,889	465,552
Charitable activities					
Church Activities		1,597	9,160	10,757	420
Investment income	3	414	1	415	1,574
Other income		-	-	-	1,300
Total		<u>484,367</u>	<u>22,694</u>	<u>507,061</u>	<u>468,846</u>
EXPENDITURE ON					
Charitable activities	5				
Church Activities		471,612	16,086	487,698	438,434
NET INCOME		12,755	6,608	19,363	30,412
Transfers between funds	17	<u>66,885</u>	<u>(66,885)</u>	<u>-</u>	<u>-</u>
Net movement in funds		79,640	(60,277)	19,363	30,412
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>845,734</u>	<u>65,195</u>	<u>910,929</u>	<u>880,517</u>
TOTAL FUNDS CARRIED FORWARD		<u>925,374</u>	<u>4,918</u>	<u>930,292</u>	<u>910,929</u>

The notes form part of these financial statements

Grace Church Chichester

**Balance Sheet
31st March 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	11	1,606,396	-	1,606,396	1,549,398
CURRENT ASSETS					
Debtors	12	86,516	1,354	87,870	96,027
Cash at bank and in hand		<u>102,962</u>	<u>3,564</u>	<u>106,526</u>	<u>160,026</u>
		189,478	4,918	194,396	256,053
CREDITORS					
Amounts falling due within one year	13	(68,993)	-	(68,993)	(74,735)
NET CURRENT ASSETS		<u>120,485</u>	<u>4,918</u>	<u>125,403</u>	<u>181,318</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,726,881	4,918	1,731,799	1,730,716
CREDITORS					
Amounts falling due after more than one year	14	(801,507)	-	(801,507)	(819,787)
NET ASSETS		<u>925,374</u>	<u>4,918</u>	<u>930,292</u>	<u>910,929</u>
FUNDS	17				
Unrestricted funds				925,374	845,734
Restricted funds				<u>4,918</u>	<u>65,195</u>
TOTAL FUNDS				<u>930,292</u>	<u>910,929</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

The financial statements were approved by the Board of Trustees and authorised for issue on 21/09/22 and were signed on its behalf by:

The notes form part of these financial statements



.....
J Leach - Trustee



.....
T Goodge - Trustee

Grace Church Chichester

**Cash Flow Statement
for the Year Ended 31st March 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	65,088	65,396
Interest paid		<u>(27,910)</u>	<u>(21,969)</u>
Net cash provided by operating activities		<u>37,178</u>	<u>43,427</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(69,589)	(14,944)
Sale of tangible fixed assets		272	1,300
Interest received		<u>3</u>	<u>326</u>
Net cash used in investing activities		<u>(69,314)</u>	<u>(13,318)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(21,364)</u>	<u>(28,472)</u>
Net cash used in financing activities		<u>(21,364)</u>	<u>(28,472)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(53,500)	1,637
Cash and cash equivalents at the beginning of the reporting period		<u>160,026</u>	<u>158,389</u>
Cash and cash equivalents at the end of the reporting period		<u><u>106,526</u></u>	<u><u>160,026</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31st March 2022

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

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	19,363	30,412
Adjustments for:		
Depreciation charges	12,040	12,270
Loss/(profit) on disposal of fixed assets	278	(1,300)
Interest received	(3)	(326)
Interest paid	27,910	21,969
Decrease in debtors	8,157	3,015
Decrease in creditors	(2,657)	(644)
Net cash provided by operations	<u>65,088</u>	<u>65,396</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	<u>160,026</u>	<u>(53,500)</u>	<u>106,526</u>
	<u>160,026</u>	<u>(53,500)</u>	<u>106,526</u>
Debt			
Debts falling due within 1 year	(25,707)	3,085	(22,622)
Debts falling due after 1 year	<u>(819,787)</u>	<u>18,280</u>	<u>(801,507)</u>
	<u>(845,494)</u>	<u>21,365</u>	<u>(824,129)</u>
Total	<u>(685,468)</u>	<u>(32,135)</u>	<u>(717,603)</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.

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

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.

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

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

	2022	2021
	£	£
Gift aided giving	330,960	298,822
Gifts, tithes & offerings	81,960	89,605
Gift aid	<u>82,969</u>	<u>77,125</u>
	<u>495,889</u>	<u>465,552</u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	412	1,248
Deposit account interest	<u>3</u>	<u>326</u>
	<u>415</u>	<u>1,574</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
	Church Activities	£	£
Church activities		<u>10,757</u>	<u>420</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£	£
Church Activities	<u>406,953</u>	<u>44,421</u>	<u>36,324</u>	<u>487,698</u>

6. GRANTS PAYABLE

	2022	2021
	£	£
Church Activities	<u>44,421</u>	<u>47,201</u>

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

Institutions	£
Compassion	8,500
Commission - General	8,000
Commission offering	5,000
Pregnancy Options Centre, Chichester	1,200
John 3:16 (Adrian Holloway)	400
Catalyst Ukraine	3,000
Breadtrust appeal	3,380

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

6. GRANTS PAYABLE - continued

St Wilfrid's Hospice	210
Heart	1,220
BRYCC	1,000
Other	2,131
	<u>34,041</u>

Individuals	<u>10,380</u>
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7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Church Activities	<u>28,995</u>	<u>7,329</u>	<u>36,324</u>

8. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Independent examination fees	3,780	3,120
Depreciation - owned assets	12,041	12,270
(Deficit)/surplus on disposal of fixed assets	<u>278</u>	<u>(1,300)</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

During the financial year trustee D Thompson received £24,830 in salary related payments as Pastor of Grace Church Chichester and in furthering the Charity's objects. Pension contributions were also made totalling £1,738. In addition trustee Joe Leach who replaced D Thompson as Pastor in the year received £44,741 in salary related payments, while pension contributions we made totalling £3,132.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

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

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	233,388	226,482
Social security costs	18,677	11,069
Other pension costs	<u>16,086</u>	<u>15,529</u>
	<u>268,151</u>	<u>253,080</u>

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

	2022	2021
Charitable activities	<u>8</u>	<u>8</u>

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

11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1st April 2021	1,532,356	10,103	2,750	36,677	1,581,886
Additions	69,589	-	-	-	69,589
Disposals	<u>-</u>	<u>-</u>	<u>(2,750)</u>	<u>-</u>	<u>(2,750)</u>
At 31st March 2022	<u>1,601,945</u>	<u>10,103</u>	<u>-</u>	<u>36,677</u>	<u>1,648,725</u>
DEPRECIATION					
At 1st April 2021	5,903	3,356	2,200	21,029	32,488
Charge for year	7,295	1,850	-	2,896	12,041
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(2,200)</u>	<u>-</u>	<u>(2,200)</u>
At 31st March 2022	<u>13,198</u>	<u>5,206</u>	<u>-</u>	<u>23,925</u>	<u>42,329</u>
NET BOOK VALUE					
At 31st March 2022	<u>1,588,747</u>	<u>4,897</u>	<u>-</u>	<u>12,752</u>	<u>1,606,396</u>
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>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other debtors	87,870	81,918
Prepayments	<u>-</u>	<u>14,109</u>
	<u>87,870</u>	<u>96,027</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 15)	22,622	25,707
Social security and other taxes	6,219	6,098
Other creditors	36,732	40,050
Accruals and deferred income	<u>3,420</u>	<u>2,880</u>
	<u>68,993</u>	<u>74,735</u>

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

	2022	2021
	£	£
Bank loans (see note 15)	<u>801,507</u>	<u>819,787</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>22,622</u>	<u>25,707</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>23,879</u>	<u>26,768</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>79,177</u>	<u>86,672</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments:		
Bank loans more 5 yrs non-inst	<u>698,451</u>	<u>706,347</u>

16. LEASING AGREEMENTS

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

	2022	2021
	£	£
Within one year	1,488	1,488
Between one and five years	<u>2,232</u>	<u>3,720</u>
	<u>3,720</u>	<u>5,208</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

17. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	595,507	(57,511)	387,218	925,214
Gift Day Designated Fund	250,067	70,266	(320,333)	-
Youth	160	-	-	160
	845,734	12,755	66,885	925,374
Restricted funds				
Building Fund	42,941	3,742	(46,683)	-
Josh G	-	(600)	600	-
Syrian Family	1,192	-	-	1,192
Hardship	20,802	-	(20,802)	-
Events	260	3,416	-	3,676
Members Gifts	-	50	-	50
	65,195	6,608	(66,885)	4,918
TOTAL FUNDS	<u>910,929</u>	<u>19,363</u>	<u>-</u>	<u>930,292</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	413,551	(471,062)	(57,511)
Gift Day Designated Fund	<u>70,816</u>	<u>(550)</u>	<u>70,266</u>
	484,367	(471,612)	12,755
Restricted funds			
Building Fund	7,761	(4,019)	3,742
Josh G	300	(900)	(600)
Events	9,583	(6,167)	3,416
Members Gifts	<u>5,050</u>	<u>(5,000)</u>	<u>50</u>
	22,694	(16,086)	6,608
TOTAL FUNDS	<u>507,061</u>	<u>(487,698)</u>	<u>19,363</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	611,372	(11,494)	(4,371)	595,507
Gift Day Designated Fund	220,392	29,675	-	250,067
Youth	160	-	-	160
	831,924	18,181	(4,371)	845,734
Restricted funds				
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	-	260	-	260
	48,593	12,231	4,371	65,195
TOTAL FUNDS	<u>880,517</u>	<u>30,412</u>	<u>-</u>	<u>910,929</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
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
Restricted funds			
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>
	21,031	(8,800)	12,231
TOTAL FUNDS	<u>468,846</u>	<u>(438,434)</u>	<u>30,412</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

17. MOVEMENT IN FUNDS - continued

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

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	611,372	(69,005)	382,847	925,214
Gift Day Designated Fund	220,392	99,941	(320,333)	-
Youth	<u>160</u>	<u>-</u>	<u>-</u>	<u>160</u>
	831,924	30,936	62,514	925,374
Restricted funds				
Building Fund	24,901	21,782	(46,683)	-
Josh G	-	(4,971)	4,971	-
Syrian Family	1,192	-	-	1,192
Hardship	22,500	(1,698)	(20,802)	-
Events	-	3,676	-	3,676
Members Gifts	<u>-</u>	<u>50</u>	<u>-</u>	<u>50</u>
	<u>48,593</u>	<u>18,839</u>	<u>(62,514)</u>	<u>4,918</u>
TOTAL FUNDS	<u>880,517</u>	<u>49,775</u>	<u>-</u>	<u>930,292</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 £
Unrestricted funds			
General fund	831,141	(900,146)	(69,005)
Gift Day Designated Fund	<u>101,041</u>	<u>(1,100)</u>	<u>99,941</u>
	932,182	(901,246)	30,936
Restricted funds			
Building Fund	25,801	(4,019)	21,782
Josh G	1,329	(6,300)	(4,971)
Hardship	1,702	(3,400)	(1,698)
Events	9,843	(6,167)	3,676
Members Gifts	<u>5,050</u>	<u>(5,000)</u>	<u>50</u>
	<u>43,725</u>	<u>(24,886)</u>	<u>18,839</u>
TOTAL FUNDS	<u>975,907</u>	<u>(926,132)</u>	<u>49,775</u>

17. MOVEMENT IN FUNDS - continued

Restricted funds

Building fund	: giving for the building and venue needs of Grace Church
Members Gifts	: giving anonymously gifts between member of Grace Church
Josh G	: collection and sending of funds to support Josh Garraway in Turkey
Syrian Family	: fund set up to enable the church typ 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 2022.

Grace Church Chichester

**Detailed Statement of Financial Activities
for the Year Ended 31st March 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gift aided giving	330,960	298,822
Gifts, tithes & offerings	81,960	89,605
Gift aid	<u>82,969</u>	<u>77,125</u>
	495,889	465,552
Investment income		
Rents received	412	1,248
Deposit account interest	<u>3</u>	<u>326</u>
	415	1,574
Charitable activities		
Church activities	10,757	420
Other income		
Gain on sale of tangible fixed assets	<u>-</u>	<u>1,300</u>
Total incoming resources	507,061	468,846
EXPENDITURE		
Charitable activities		
Wages	233,388	226,482
Social security	18,677	11,069
Pensions	16,086	15,529
Light and heat	7,095	6,622
Telephone	2,847	3,739
Advertising	1,354	2,361
Sundries	4,383	4,414
Activities & events	11,948	6,239
Conferences & training	12,377	5,415
Equipment costs	13,685	16,352
Leadership team	3,182	1,957
Printing, postage & stationary	3,993	3,513
Rent, rates & service charges	24,227	10,209
Repairs & maintenance	20,442	29,691
Running costs	1,323	608
Sundry payroll costs	739	203
The youth & children	15,474	3,787
Travel & subsistence	2,999	905
Worship team	169	110
Ministries	247	-
Freehold property	7,295	5,903
Carried forward	401,930	355,108

This page does not form part of the statutory financial statements

Grace Church Chichester

**Detailed Statement of Financial Activities
for the Year Ended 31st March 2022**

	2022 £	2021 £
Charitable activities		
Brought forward	401,930	355,108
Plant and machinery	1,849	1,849
Motor vehicles	-	550
Computer equipment	2,896	3,968
Loss on sale of tangible fixed assets	278	-
Grants to institutions	34,040	35,130
Grants to individuals	<u>10,381</u>	<u>12,071</u>
	451,374	408,676
Support costs		
Finance		
Bank charges	1,085	631
Bank loan charges and interest	<u>27,910</u>	<u>21,969</u>
	28,995	22,600
Governance costs		
Independent examination fees	3,780	3,120
Insurance	3,501	3,985
Professional fees	<u>48</u>	<u>53</u>
	<u>7,329</u>	<u>7,158</u>
Total resources expended	<u>487,698</u>	<u>438,434</u>
Net income	<u><u>19,363</u></u>	<u><u>30,412</u></u>