

CHROMA CHURCH

Report and Accounts

Year Ended 31 March 2022

**CHROMA CHURCH
(A COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2022**

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**CHROMA CHURCH
(A COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2022**

COMPANY INFORMATION

Directors / Trustees:	S D Barber C Wakeling S Perkins (Resigned on 21/01/2022) N Morris (Appointed 01/10/2021) P Turner (Appointed 01/10/2021) R Turner (Appointed 01/10/2021) W Jones (Resigned 23/07/2021) R Cooper (Resigned 01/10/2021)
Company Secretary:	C Wakeling
Company Registration Number:	6528317
Charity Registration Number:	1123681
Registered Office:	15 Putney Road West Leicester LE2 7TD
Independent Examiner:	The Rowleys Partnership Limited Chartered Accountants Charnwood House Harcourt Way Meridian Business Park Leicester LE19 1WP
Solicitors:	Nelsons Solicitors Limited Provincial House 37 New Walk Leicester Leicestershire LE1 6TU

**CHROMA CHURCH
(A COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2022**

TRUSTEES REPORT

The trustees, who are also the directors of the charity for the purposes of the Companies Act 2006, are pleased to present their report together with the financial statements of the charity for the year ended 31 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 published in October 2019.

Structure, Governance and Management

Status - Chroma Church was incorporated as a company limited by guarantee on 8 March 2008. This company is registered with the Charity Commission under reference 1123681. The company number is 6528317. The company was established under its Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association.

Directors and Trustees - The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as 'the Trustees'. As set out in the Articles of Association, the Trustees are appointed at the General Meetings of the company.

The appointment of Trustees is made by the recommendation of the Senior Pastor and ratified by existing Trustees. Trustees will be recruited with reference to their commitment to the Church, the specific needs of the charitable company and the working dynamics of the Trustee team.

Trustees' oversight remit - Due to the increasing size and complexity of the company, each Trustee manages a specific area of Church business:

-] Ralph Turner - From 1st October 2021 - Chair of Trustees
-] William Jones - Retired 23rd July 2021
-] Catherine Wakeling - Secretary, Charity and Reporting
-] Steve Barber - Senior Pastor
-] Rhoda Cooper - Finance - Retired 1st October 2021
-] Steve Perkins - Pastoral – Retired 21st January 2022
-] Paul Turner - From 1st October 2021 - Legal
-] Neville Morris - From 1st October 2021 – Safeguarding

Professional advisors are as shown on the company information page. There were no changes in the year.

Management - Chroma Church has a three-fold leadership structure, which has some overlap, under the overall direction of the Senior Pastors. Each group – Trustees, Staff and Leaders, and Ministry Coordinators – has distinct responsibilities to take adequate care of each church member and continue on-going outward ministry to benefit the community.

The overall vision and direction for the Church is set by the Senior Pastors, Steve and Juliet Barber, with reference to the Senior Leadership Team (SLT) and Church Leaders.

The Leadership Team structure and responsibilities are as follows:

Senior Leadership Team (SLT):

-] Tim Churchward
-] Racheal Bhanu
-] Joel Barber

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TRUSTEES REPORT CONTINUED

Structure, Governance and Management Continued

Oversight Group - The responsibilities of the Oversight Group are to pray and peer. It is not a decision-making group, but rather hears and discerns the health and direction of the Church. It is made up of people representing different groups and experience within the Church. Currently this group consists of Steve and Juliet Barber, Rachael Bhanu, Bob and Linda Lodge, Arnold and Brenda Lungu, Steve and Sue Perkins, Paul and Sue Manwaring, John and Jane Webster, and Neville and Wendy Morris.

Trustees/Directors -

The responsibilities of the Trustees/Directors include:

-) To advise the Senior Pastors on staffing, salaries and employment issues.
-) To manage the legal responsibilities of the charitable company and ensure full compliance with legislation - including both company and charity law.
-) To advise on and manage Church assets and property.

Staff and Leaders -

-) To provide one-to-one pastoral care for church members.
-) To help teach and train church members in the Christian religion.
-) To train and equip the saints to serve Jesus Christ and proclaim His Gospel.

Coordinators –

To manage the ministry areas of the Church, currently:

-) Children's ministry
-) Chroma Compassion
-) Eden Ministry (support for Eden Ministry, a women's organisation in Asia)
-) Men's ministry
-) Missions overseas
-) Prayer
-) Sports
-) Students
-) Sunday services
-) Women's ministry
-) Worship
-) Youth

Objects and Activities

Objects:

1. To advance the Christian faith in accordance with the statement of beliefs contained in the schedule to the Articles of Association including but not by way of limitation through the planting of churches in such ways and in such parts of Leicester, The United Kingdom, or World as the Trustees from time to time may think fit.
2. To further Christian education in such parts of Leicester, The United Kingdom and the World as the Trustees may from time to time think fit.
3. 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, training in life skills and support in such parts of Leicester, The United Kingdom or the World as the Trustees from time to time may think fit.
4. To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

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TRUSTEES REPORT CONTINUED

Objects and Activities Continued

Activities

Public Benefit - In planning the activities the Trustees have given consideration to the guidance provided by the Charity Commission on 'public benefit'.

Overview - During 2021/2022 Chroma Church continued to adapt significantly in response to Covid 19. As the threat of Covid subsides, there is significant damage to both the community and individuals mental and social health. After significant periods of restricted gathering, a complete rebuild of staff, leaders and volunteers has been necessary to address the changing world we find ourselves serving.

Sunday Services - During 2021/2022 our Sunday gatherings changed in line with government regulations. Throughout the pandemic we held a live worship service online each week, with interaction between church staff and our congregation. Worship, teaching from the Bible and prayer for the sick was maintained throughout the year. As restrictions eased we welcomed church members back into the building and began rebuilding our teams and services as increasing numbers of people returned to worship in person.

Because we already had the facilities to stream a live worship service, our online viewing increased dramatically with thousands of people watching at times. During the year we continued to invest in our livestream facilities with new cameras, lighting and a media room as we believe this has now become the 'shop window' for those looking into church.

Pastoral health - Freedom Centre is a ministry that people can be referred to for pastoral appointments and Lie-bust appointments. We believe that good health comes from our relationship with God. At different points in our lives, it is important to get direction and help to strengthen our relationship with Jesus and overcome difficulties that arise. During the pandemic this ministry switched to online appointments. We continued with online appointments but will also be opening for in person appointments as soon as possible.

Children's ministry - Although we have not had many children in the building during the last year, our kids team have done an amazing job providing talks and resources online. More recently, as restrictions eased, we have introduced Family Gathering events which have been a great success. As we exit the Covid period we are beginning to rebuild and re-train teams to facilitate our children's ministry.

Stay & Play - is a mothers and infants group that is open to all. The parents gather for coffee and there is a safe place for children to play, encouraging the growth of a stronger community.

Youth work - During the Covid pandemic most of our youth work was conducted online so we are now rebuilding and re-training our teams. As we rebuild our youth work we are conscious that there are significant mental health needs among young people, so this is a significant time to support and rebuild social interaction among our youth.

Students - This year universities continued with online teaching, resulting in most students remaining in their home towns. The exceptions have been some international students and medical and research students, and it has been a pleasure to support these students throughout a very difficult season. The students that remained in Leicester have been an amazing support to the work of the Church in the community.

Leadership Year - Each year we invite Leaders, who have a potential call to further training for ministry, to spend a year volunteering part time with Chroma Church to test and pursue this call: this year we hosted three students from Bethel Church, Redding, California completing their third year of the Bethel School of Supernatural Ministry; and had three students on our Leadership Year.

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TRUSTEES REPORT CONTINUED

Objects and Activities Continued

Chroma Compassion - During this year we have been responding to needs in our church family, the city and beyond with practical support. We have assisted individuals and families in our church family and more widely in the community with financial support for necessities, rent and general day-to-day living. With thousands of people in debt related difficulties, no money for food and other vulnerabilities, our teams have assisted with different areas of need.

1) Chroma Food Bank

Based at Chroma Church, we provide food and toiletries to families and individuals in crisis. We also assist in gaining access to other support services in Leicester, in areas such as housing and financial support. Assistance is given on referral from local agencies, Leicester City Council, health care visitors, charities, and other professionals who are working directly with vulnerable people and whose professional status has been verified. However, if a person or family arrives without a referral as they have sought us while in a position of crisis, we will support their immediate needs and instruct them in how to get a referral.

We receive a donation of bread, pastries, cakes and a small supply of meats twice a week from Marks and Spencer. We also get regular donations from Leicester South Food Bank, with occasional extra treats, and lastly, we have a membership with Fareshare which brings in a selection of fresh fruit, vegetables and meat every week. This allows us to have a wide selection of supplies available and we are able to give families the things that they need in their position of crisis.

Reflections from this last financial year:

-] 501 emergency food parcels were collected from Chroma Food Bank
-] 494 emergency food parcels were delivered to households
-] 342 adults and young people were supported regularly with food and essentials
-] 21 agencies and organisations connected with our service.
-] An estimated 105 haircuts were given at Chroma Food Bank.

The following organisations and agencies are linking with Chroma Food Bank by completing referrals on behalf of families and individuals:

- | | |
|---|--|
|] British Red Cross |] Enablement and Social - Leicester City Council |
|] Citizens Advice |] Beaumont Leys Health Centre |
|] Turning Point |] Homeless Mental Health Service |
|] Leicester City of Sanctuary |] Jordan Xavier - Grooming Team |
|] The Carers Centre |] Holy Cross Primary School |
|] Adult Social Care Team - Leicester City Council |] Heathfield House |
|] Energywise |] Revolving Door |
|] Energywise (Community Advice and Law Service) |] Community Advice and Law Service |
|] Zinithya Trust |] Help the Homeless Leicester |
|] Chroma Church - Ruth Hollington |] Leicester City Council - Early Help |
| |] Eyres Monsell Primary School |

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TRUSTEES REPORT CONTINUED

Objects and Activities Continued

2) Christian's Against Poverty

Early this year we opened a CAP debt centre to assist people from Leicester in becoming debt free. We offer specialist advice to support people out of debt, providing this service for free. We have supported people to cope with the emotional stress of being in debt through our appointments.

We have offered money management coaching, which is given by volunteers trained by Christian's Against Poverty. This has been offered to clients at Chroma Food Bank and our church family to help with some root causes to crisis situations. People have received help with budgeting skills and tools to help manage finances, budget, saving and preventing debt.

3) Eden

Based in Myanmar, Eden works with women trapped in prostitution following trafficking by providing shelters, medical clinics and alternative employment through their international jewellery business.

During this year we have continued to sell the Eden jewellery at Chroma Store, with full stock on display for the special celebrations that happen seasonally. The jewellery was also given an online platform last year, but recently this was temporarily taken down while our new website is being constructed, so it will be returning soon.

4) Safe Families for Children

With the aim of creating a network of hundreds of compassionate, community-based volunteers who will reach out to families in crisis, Safe Families is an international charity with a mission to improve the outcomes for children and reduce the flow of children going into care by 10%.

Volunteers from Chroma have supported families in our community this year, through coffee dates, hosting a family in their homes for a period, friendly walks and meet ups.

5) New Growth

Previously named 'Dignity in Growth', the group has changed its name to 'New Growth'. The team gather at a local allotment to facilitate activities with vulnerable individuals and together they set a vision to create a thriving environment where fruit and vegetables can grow and be harvested for Chroma Food Bank supplies. The group accepts referrals from support services for individuals who have poor mental health or a vulnerability where they would benefit from being part of the community. The friendship and activities that take place during each session help to facilitate an individual's growth.

6) Funding

Our Compassion projects are volunteer based and financed by individual donations, grants, Chroma Store profits and special offerings.

Chroma Church received a total of £16,200 in grants for funding Chroma Food Bank from the following organisations:

- The Big Lottery
- Action Homeless
- Arnold Clark

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TRUSTEES REPORT CONTINUED

Objects and Activities Continued

The following table shows how the grant money was spent:

Expense	Funds Awarded
Food and Hygiene	£11,200
Permanent Shelter Structure	£5,000

Chroma Compassion also received £25,737 in individual donations.

7) Covid-19

Some of our outreach groups across the City were paused during the Covid-19 outbreak and haven't yet restarted. However, we maintain our connection with various support organisations, with some acting as signposts to our Food Bank, such as HMP Leicester Prison Chaplain and The Y.

Multicultural - The Church continues to grow by drawing in people from many nations and cultures. We make every effort to include people in all parts of church life no matter what their nationality or educational backgrounds. This encourages cohesion and builds community and understanding around the church family. We are thrilled that people from all nations participate in serving, leading worship and training on our leadership year.

Training and development of church members - During the year our regular training courses on Leadership, Prayer for the Sick, Children's Work (including Child Protection), Marriage Preparation, Money Management and Parenting have continued, both online and in person where possible. All our courses are open to anyone would like to attend.

Leaders meetings - We gather all our Leaders together once every two months for news, telling stories and training. Early in the year meetings were held online and then in person when it became possible again.

Pastoral and administrative staff

- Senior Pastor - full-time
- Senior Pastor - part-time
- Executive Pastor - on maternity leave
- Executive Pastor - Worship - full time
- Executive Pastor - Children, Families and Groups – full time
- Children's Pastor - two days per week
- Chroma Compassion Coordinator - three days per week
- Youth Worker - three days per week
- Church Administrator - four days per week
- Bookkeeper - 10 hours per week
- Communications Co-ordinator - one day per week

**CHROMA CHURCH
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TRUSTEES REPORT CONTINUED

Plans for 2022/2023

Pastoral - As we come through Covid-19 we expect people to reconnect with church life at different speeds and levels. Some will be nervous and some fearful, some will just jump straight back in. Because of isolation we are seeing a rise in anxiety and mental health issues. There is also a rise in sickness due to people being unable to see doctors or get adequate medical assistance. With all these issues in mind it is important that we increase our pastoral resources to meet the coming need. We also want to create an environment where people can re-engage at the speed and level that enables them to move back into health and start to thrive in life once again.

Encounter and Leadership Year - We will continue our Leadership Year programme and restart our Encounter Year Volunteer Programme in September.

Worship - We will continue to develop the music and visual side of worship at Chroma Church. Musicians are being attracted to the Church, among them talented song writers who have been writing and recording new songs.

We are building/developing a recording studio for both audio and video production. We hope to increase our technical expertise with both volunteer and salaried staff in the next few years.

We are establishing **Chroma Worship** to record and publish the songs being written. Invitations are coming in for the worship team to lead worship at larger events such as Awakening Rotterdam in July 2022.

Livestream - remains an important vehicle to support our remote members and reach people beyond our building with the good news of Jesus Christ. We are committed to develop this church medium for the foreseeable future.

Leaders - As the Church continues to grow, it will be important to develop both professional (salaried) leaders and lay leaders who have significant gifting. To this end both Steve and Juliet Barber's focus will include coaching and developing the Senior Leadership Team (SLT).

Chroma Gatherings - During the pandemic we gathered a number of remote congregations around the country through our livestream services. It is our plan to take live events to these locations to gather these people for worship and prayer. Investment for taking Chroma out will be needed.

Youth - We want to develop our youth work in the City by increasing the size of the Youth Team and locating additional venues to accommodate our Youth. Our own building greatly enhances the opportunities available, including being able to host city wide and national events. We will host our own youth camp, 'Chosen', for the third time in May 2022.

Children - We want to continue to invest in our children and families throughout this season and have assigned an Executive Pastor to oversee and develop our children's ministry during what looks as though it will be a difficult time. We plan to build on the Family Gathering events and hope to run a National Children's Conference in 2022.

Students - We want to increase our work among students at both De Montfort University and Leicester University. We will continue our weekly Student Church and also start more student small groups.

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TRUSTEES REPORT CONTINUED

Plans for 2022/23 Continued

Chroma Compassion - We are anticipating the increase in cost of living will impact many households over the next year. We are preparing our food bank and debt centre for an increase of people looking for support and assistance by continuing to develop our leaders and grow the team. We also want to train our food bank team to recognise the signs of modern slavery with the help of Hope for Justice, to help uncover those in forced work and exploitation in Leicester.

Our Foodbank is primarily set up to support those outside our church community. As we exit the pandemic it is highly likely that there will be hardship within our own church community, so we are looking for ways to support our members as we see needs arise.

Premises - With two years remaining on our current lease, we will start negotiations to either buy the Putney Road property or extend our lease.

Groups - We continue to value small group communities (now called Chroma Groups) and have a senior staff member overseeing this area of church life. We are expanding the network of groups and introducing larger Revival Groups, some with a specialist focus such as health, families or marriage.

Financial Review

The financial statements following show that the charity has been able to fund its expanding programme.

The charitable company's activities were financed by:

-) Voluntary donations and recovered income tax.

The charitable company operates funds to assist efficient administration. Details are given in the notes to the financial statements.

Investment policy - Under the Articles of Association, the charitable company has the power to make any investments as the Trustees see fit.

Reserve's policy - The charity's reserves policy sets the level of unrestricted reserves to be held as:

-) Three months full running costs of the Church
-) A further three months of salary costs.

This level of reserves is designed to provide an orderly reduction in activity should income decline for any reason. To date the Trustees are building the required reserves level. In addition, funds have been raised to cover building works and other missionary work as shown in note 10.

Grants made

Other smaller grants	£38,964
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Including:

)	Claris Communications	£8000
)	CAP	£2400
)	Dig	£1728
)	Eden/Williams	£3550
)	Awakening Europe	£3000
)	Visiting Speakers	£6000
)	India Missions	£1000
)	Emergency gifts	£3000

**CHROMA CHURCH
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TRUSTEES REPORT CONTINUED

Financial Review

Risk management - The Trustees continuously monitor the risks facing the Church and take steps to mitigate those risks.

The charity has a Child Protection Policy, which regulates all persons working with Children and Youth.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approval

This report was approved by the Directors and signed on their behalf by:

S.D. Barber

Trustee/Director

Date: 20/12/2022

R.Turner

Trustee/Director

Date: 20/12/2022

**CHROMA CHURCH
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INDEPENDENT EXAMINER'S REPORT

Independent Examiner's Report to the Trustees of Chroma Church

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2022 which are set out on pages 14 to 25.

Responsibilities and basis of report

As the charity 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 company'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 the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, 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 that in any material respect:

-) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
-) the accounts do not accord with those records; or
-) 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
-) 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).

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INDEPENDENT EXAMINER'S REPORT CONTINUED

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.

L G Parkes ACA FCCA
The Rowleys Partnership Limited
Chartered Accountants
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
LE19 1WP

Date: 20/12/2022

CHROMA CHURCH
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STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
Donations and legacies	2	683,297	70,412	753,709	647,185
Investment income		14	-	14	27
CJRS grants		15,743	-	15,743	57,430
Other incoming resources		-	4,399	4,399	-
Total Incoming Resources		699,054	74,811	773,865	704,642
RESOURCES EXPENDED					
Charitable activities	3	622,158	115,851	738,009	612,661
Total Resources Expended		622,158	115,851	738,009	612,661
Net Income/(Expenditure)		76,896	(41,040)	35,856	91,962
Transfers between funds	10	(8,775)	8,775	-	-
Fund balances at 1 April 2021		370,222	74,389	444,611	352,649
Fund balances at 31 March 2022		438,343	42,124	480,467	444,611

Movements on reserves and all recognised gains and losses are shown above.

The notes on pages 18-25 form part of these accounts.

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BALANCE SHEET

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	6	162,130	182,733
CURRENT ASSETS			
Debtors	7	49,974	73,134
Cash at bank	8	<u>305,800</u>	<u>227,448</u>
		355,774	300,582
CURRENT LIABILITIES			
Liabilities falling due within one year	9	<u>(37,437)</u>	<u>(38,704)</u>
Net Current Assets/(Liabilities)		318,337	261,878
NET ASSETS		<u>480,467</u>	<u>444,611</u>
FUND BALANCES			
Unrestricted funds	10		
General Funds		438,343	370,222
Restricted Funds	10	<u>42,124</u>	<u>74,389</u>
		<u>480,467</u>	<u>444,611</u>

**CHROMA CHURCH
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BALANCE SHEET CONTINUED

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

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2022 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.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

S.D. Barber
Trustee/Director
Date: 20/12/2022

R Turner
Trustee/Director
Date: 20/12/2022

CHROMA CHURCH
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STATEMENT OF CASH FLOWS

	Note	2022 £	2021 £
Cash flow from operating activities:			
Cash generated from operations	1	128,901	158,796
Tax recoverable		28,430	(33,878)
Net cash flow from operating activities		<u>157,331</u>	<u>124,918</u>
Cash flow from investing activities			
Purchase of fixed assets		(57,680)	(34,460)
Net cash flow from investing activities		<u>(57,680)</u>	<u>(34,460)</u>
Cash flow from financing activities			
Repayment of loans		(21,300)	(22,000)
Net cash flow from financing activities		<u>(21,300)</u>	<u>(22,000)</u>
Net increase / (decrease) in cash and cash equivalents		78,351	68,458
Cash and cash equivalent at 31 March 2021		227,448	158,990
Cash and cash equivalents at 31 March 2022		<u>305,800</u>	<u>227,448</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		305,800	227,448
Cash and cash equivalents at 31 March 2022		<u>305,800</u>	<u>227,448</u>
 1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES		 2022 £	 2021 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		35,856	91,962
Adjustments for:			
Profit on disposal of fixed assets		-	-
Decrease/(increase) in debtors		(5,271)	(9,606)
(Decrease)/increase in creditors		20,033	2,086
Depreciation and impairment of tangible fixed assets		78,283	74,354
Net cash generated by (used in) operating activities		<u>128,901</u>	<u>158,796</u>

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FOR THE YEAR ENDED 31 MARCH 2022**

NOTES TO THE FINANCIAL STATEMENTS

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 issued in October 2019', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity is a company limited by guarantee. The members of the company are the trustees named on page 3. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Income

Donated income, grants and investment income are recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income received in circumstances where a claim for repayment of tax has been or will be made to HM Revenue & Customs is grossed up for the tax recoverable. Any amount of tax reclaimed from HM Revenue & Customs but not yet received is shown within the charity's debtors.

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.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Taxation

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

Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are receivable as general funds.

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.

**CHROMA CHURCH
(A COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2022**

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies (continued)

Fixed assets and depreciation

Fixed assets acquired for use by the charity are capitalised and depreciated over their estimated useful life unless they cost less than £250 when they are written off on purchase.

Depreciation periods are as follows:

Equipment	Between 3 and 7 years
Leasehold improvement	Over the lease term of 10 years

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash on deposit.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Pension costs

The company operates a defined contribution scheme for all employees. Pension premiums are charged as they are paid.

Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Government grants

Government grants receivable in relation to the job retention scheme are recognised as income over the periods necessary to match them against the related costs which they are intended to compensate, on a systematic basis. Other Government grants received are recognised at the point of receipt. Government grants are shown separately as other income.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

CHROMA CHURCH
(A COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

2 Donations and legacies

	Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£	£	£	£
Church members						
Church members gifts	561,864	14,377	576,241	482,004	1,150	483,154
Gift Aid tax recoverable	107,394	1,208	108,602	95,876	-	95,876
Miscellaneous voluntary income	14,039	54,827	68,866	3,082	65,073	68,155
	<u>683,297</u>	<u>70,412</u>	<u>753,709</u>	<u>580,962</u>	<u>66,223</u>	<u>647,185</u>

3 Charitable activities

		Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds	Restricted Funds	Total 2021
		£	£	£	£	£	£
3a. Direct charitable costs	Note						
Wages & salaries	5	250,446	24,811	275,257	246,659	10,566	257,225
Staff expenses		35,070	-	35,070	10,351	-	10,351
Chroma store purchases		-	5,621	5,621	-	-	-
<u>Local church ministry</u>							
Catering		620	1,312	1,932	1,124	-	1,124
Theological Training		2,853	-	2,853	3,605	-	3,605
Storehouse		-	25,706	25,706	-	34,241	34,241
Students		5,147	-	5,147	970	-	970
Sunday service		11,984	-	11,984	5,862	-	5,862
Youth		3,422	-	3,422	770	-	770
Worship		25,412	-	25,412	20,166	-	20,166
Children		1,959	3,312	5,271	1,645	-	1,645
Books & tapes		5,653	-	5,653	7,819	-	7,819
Evangelism		1,534	-	1,534	282	-	282
Depreciation		31,265	47,018	78,283	27,336	47,018	74,354
Grants payable	3c	30,893	8,071	38,964	8,607	8,657	17,264
		<u>406,259</u>	<u>115,851</u>	<u>522,110</u>	<u>335,196</u>	<u>100,482</u>	<u>435,678</u>

CHROMA CHURCH
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FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

3. Charitable activities (continued)

3b. Support & Administration	Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£	£	£	£
Office expenses	41,050	-	41,050	32,103	-	32,103
Phone & internet	6,120	-	6,120	5,601	-	5,601
Insurance	10,162	-	10,162	8,290	-	8,290
Office equipment & maintenance	32,325	-	32,325	15,755	-	15,755
Office rent & Utilities	102,148	-	102,148	97,615	-	97,615
Printing, postage & stationery	739	-	739	341	-	341
Professional fees	13,675	-	13,675	8,957	-	8,957
Bank fees	6,680	-	6,680	5,322	-	5,322
Accounts and examination	3,000	-	3,000	3,000	-	3,000
	<u>215,899</u>	<u>-</u>	<u>215,899</u>	<u>176,984</u>	<u>-</u>	<u>176,984</u>
Combined charitable activity cost	<u>622,158</u>	<u>115,851</u>	<u>738,009</u>	<u>512,180</u>	<u>100,482</u>	<u>612,662</u>

During the year £3,000 (£3,000 in 2021) was paid for the independent examination.

3c. Grants

	Institutions	Individuals	2022	Institutions	Individuals	2021
	£	£	£	£	£	£
Mission support	19,586	19,378	38,964	-	17,264	17,264
	<u>19,586</u>	<u>19,378</u>	<u>38,964</u>	<u>-</u>	<u>17,264</u>	<u>17,264</u>

4. Trustees

A Director, S Barber, received a gross salary of £45,728 (£40,512 in 2021) and pension contributions of £4,259 (£4,174 in 2021). He also received a manse allowance of £21,120 (£21,120 in 2021) during the year. He is paid in his capacity as a church pastor for which legal authority is given in the charity's governing document. S Barber also received benefits in kind of £NIL (£216 in 2021) during the year.

1 (1 in 2021) trustee is accruing pension arrangements.

Trustees expenses

Trustees were also reimbursed for their out of pocket expenses incurred in their capacity as trustees of the church. During the year 2 (1 in 2021) were reimbursed expenses totalling £13,822 (£3,210 in 2021). At the balance sheet date £3,303 was payable to two Trustees in respect of out of pocket expenses.

CHROMA CHURCH
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FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

5. Staff Costs

The average number of staff employed during the year was 16 (2021 - 15).

	Total 2022 £	Total 2021 £
Wages and Salaries	255,621	234,355
Social Security Costs	8,564	12,785
Pension costs	<u>11,072</u>	<u>10,085</u>
	<u><u>275,257</u></u>	<u><u>257,225</u></u>

There are no employees who received total emoluments of more than £60,000.

One director (2021: One) is accruing retirement benefits under a money purchase scheme.

6. Tangible Fixed assets

	Equipment & Fittings £	Leasehold Property Improvements £	Total £
Cost			
At 1 April 2021	184,732	470,184	654,916
Additions	57,680	-	57,680
Disposals	-	-	-
At 31 March 2022	<u>242,412</u>	<u>470,184</u>	<u>712,596</u>
Accumulated Depreciation			
At 1 April 2021	135,554	336,629	472,183
Charge for the year	31,265	47,018	78,283
Eliminated on disposal	-	-	-
At 31 March 2022	<u>166,819</u>	<u>383,647</u>	<u>550,466</u>
Net book value			
At 31 March 2022	<u>75,593</u>	<u>86,537</u>	<u>162,130</u>
At 1 April 2021	<u>49,178</u>	<u>133,555</u>	<u>182,733</u>

CHROMA CHURCH
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FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

7. Debtors and Prepayments

	2022	2021
	£	£
Tax recoverable	13,294	41,725
Prepayments	28,493	30,714
Other debtors	<u>8,187</u>	<u>695</u>
	<u><u>49,974</u></u>	<u><u>73,134</u></u>

8. Cash at Bank and in Hand

	2022	2021
	£	£
Bank operating accounts	199,547	210,285
Bank deposits	<u>106,253</u>	<u>17,163</u>
	<u><u>305,800</u></u>	<u><u>227,448</u></u>

9. Creditors: Liabilities falling due within one year

	2022	2021
	£	£
Trade creditors	13,202	4,345
Accruals and deferred income	4,660	4,170
Loans	-	21,300
Pension	8,570	2,808
Credit card	<u>11,005</u>	<u>6,081</u>
	<u><u>37,437</u></u>	<u><u>38,704</u></u>

The loans are non-interest bearing unsecured loans which are repayable on demand.

CHROMA CHURCH
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FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

10. Funds

The restricted funds represent amounts received for specific purposes and the movements in the year are as follows:

	Opening balance 1 April 2021 £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance 31 March 2022 £
School of Ministry	3,714	-	-	-	3,714
Compassion ministry	29,438	57,082	(57,381)	-	29,139
Building fund	36,943	1,300	(47,018)	8,775	-
Eden	2,484	973	(1,136)	-	2,321
Ukraine	-	-	-	-	-
Leaders Gathering	-	11,057	(4,695)	-	6,362
Dan Williams	-	-	-	-	-
Chroma Store	1,569	4,399	(5,621)	-	347
Prophetic Art Group	241	-	-	-	241
	<u>74,389</u>	<u>74,811</u>	<u>(115,851)</u>	<u>8,775</u>	<u>42,124</u>

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank & cash balances £	Other net assets/ liabilities £	Total £
Restricted funds	86,537	(44,413)	-	42,124
Unrestricted funds	75,593	350,213	12,537	438,343
	<u>162,130</u>	<u>305,800</u>	<u>12,537</u>	<u>480,467</u>

Transfers between funds

Transfers relate to a reallocation of funds as appropriate.

Reserve funds

Compassion ministry (includes storehouse ministry)

This fund represents compassion ministry projects as detailed on pages 7 and 8.

Building fund

This fund represents funds that are for improvements to the church building.

**CHROMA CHURCH
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FOR THE YEAR ENDED 31 MARCH 2022**

NOTES TO THE FINANCIAL STATEMENTS

10. Funds Continued

The comparative restricted funds represent amounts received for specific purposes and the movements in the year are as follows:

	Opening balance 1 April 2020 £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance 31 March 2021 £
School of Ministry	3,714	-	-	-	3,714
Compassion ministry	2,407	-	(17,202)	14,795	-
Storehouse ministry	-	63,679	(34,241)	-	29,438
Building fund	82,811	1,150	(47,018)	-	36,943
Eden	3,593	401	(1,510)	-	2,484
Chroma Store	1,087	993	(511)	-	1,569
Prophetic Art Group	241	-	-	-	241
	<u>93,853</u>	<u>66,223</u>	<u>(100,482)</u>	<u>14,795</u>	<u>74,389</u>

11. Obligations under leases

The company had total guarantees and commitments at the balance sheet date of £150,000 (2021 £75,000) in respect of a property operating lease.

12. Related party transactions

Finch Tax and Accountancy Services Ltd were engaged during the year for the provision of services totalling £Nil (2021 - £2,565). R O Cooper was a Trustee of the charity and a director and shareholder of Finch Tax and Accountancy Services Ltd.