

CHROMA CHURCH

Report and Accounts

Year Ended 31 March 2023

CHROMA CHURCH
(A COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2023

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CHROMA CHURCH
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FOR THE YEAR ENDED 31 MARCH 2023

COMPANY INFORMATION

Directors / Trustees:	R Turner (Chair) S D Barber C Wakeling N Morris P Turner
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
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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 2023.

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- Chair of Trustees
- Catherine Wakeling - Secretary, Charity and Reporting
- Steve Barber- Senior Pastor
- Paul Turner- Legal
- Neville Morris- Safeguarding & Finance

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 (SLD):

- Tim Churchward
- Racheal Bhanu
- Joel Barber

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TRUSTEES REPORT CONTINUED

Structure, Governance and Management Continued

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 2022/2023 Chroma Church continued to serve the local community including local residents, the large student population, young people and those in financial and mental need.

Sunday Services- Following the pandemic there was considerable rebuilding of our teams & structures, and also rebuilding confidence across all sectors of the community in gathering together in larger numbers. Through our worship services we are seeing people's wellbeing increase and are returning to pre pandemic attendance figures.

We continue to stream a weekly live worship service, and release teaching and worship materials to our wider congregation.

Worship - We have completed our worship studio for writing and producing songs and materials for the church family. We continue to gather talented musicians and are developing Chroma Worship.

Pastoral health - Freedom Centre is a ministry that people can be referred to for pastoral 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. This ministry has been the last to rebuild following the pandemic, but we now have a good core of trained ministers and counsellors to serve our congregation.

Children's ministry- With the appointment of a new children's Pastor, our children's ministry is now thriving. We believe that our children are not only the future of the church, but the church now. Significant resource of both people and time is being deployed into your children's groups.

Stay & Play - 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- Youth is now thriving throughout the Church. We have groups from 11 to 18 years at both 9.30am & 11.30am services. Our youth gather in Wednesday evenings for activities and worship. We have reinstated our Chosen weekend away in May. All our groups are open to the local community and we see good steady growth in all areas.

Students- With Universities returning to normal lecturing timetables we are rebuilding our student ministry. With two years of minimal student presence in the City it is good to have a good first year intake this year. We start with student lunches, have student church on Thursday evenings and various groups through the week.

Encounter Year- We have re-started our encounter year. This is where people can volunteer to give time to the church, serve the vision of the church and receive training and encouragement throughout the year. The purpose of this year is to encounter the love of God and to prepare for the great adventure he has for each life devoted to God. We had approximately 10 people signed on this year.

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 invited three people onto this program. They specialised in Media, Youth and pastoral care.

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TRUSTEES REPORT CONTINUED

Objects and Activities Continued

Leaders Gathering- Coming out of Covid it was obvious that a number of churches were struggling. We decided to start Leaders Gathering, inviting churches and leaders to join us for mutual encouragement and refreshment. These gatherings have been well attended and are held in September & January.

Chroma Gatherings- We have been gathering some of our wider friends for worship and ministry in both Southend & Wales.

Revival Prayer- Exiting the pandemic it was obvious that people needed to re-connect in their communities and so we started a midweek prayer and worship gathering in our auditorium. This was an informal gathering where people could meet new friends, tell stories of what God was doing in their lives, receive prayer for needs and also enjoy the presence of God.

We were initially surprised at the number attending this gathering which has continued weekly and grown in attendance and enthusiasm.

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.

New Life & Next Steps- We are seeing a number of people give their lives to Jesus. New Life & Next Steps are two short course to explain the basics of the Christian faith and to help them with their journey with Jesus.

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.

We have written and started the School of Transformation – 8 week course for people who wish to grow in their Christian faith and have a better understanding of the Bible.

Leaders meetings -We gather all our Leaders together once every two months for news, telling stories and training.

Pastoral and administrative staff

- Senior Pastor- full-time
- Senior Pastor- part-time
- Executive Pastor- Children & Youth – 4 days per week
- Executive Pastor- Worship & Media- full time
- Executive Pastor- School of Transformation, Freedom Centre, Groups & Students- full time
- Children's Pastor- two days per week
- Chroma Compassion Coordinator- full time
- Youth Pastor- full time
- Church Administrator- four days per week
- Bookkeeper- work was outsourced to Finch Tax for year ended 31st March 2023
- Communications Co-ordinator- two day

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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:

- 3,971 emergency food parcels were given from Chroma Food Bank.
- 1,529 adults and young people were supported regularly with food and essentials.
- 29 agencies and organisations connected with our service.

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

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

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TRUSTEES REPORT CONTINUED

Objects and Activities Continued

- Christian's Against Poverty Revolving Door
- Community Advice and Law Service
- Help the Homeless Leicester
- Leicester City Council - Early Help
- Eyres Mansell Primary School
- Serco – Housing Officer
- Amicus Trust
- Shaw Trust
- The Bridge Leicester
- Framework Housing Association
- Moneywise
- Help Through Hardship
- P3 Charity
- Saffron Resource Centre

2. Christian's Against Poverty- We run 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 external events and Chroma Store, with full stock on display for the special celebrations that happen seasonally.

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- The team gather at a local allotment to facilitate activities with vulnerable individuals and together they carry 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.

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TRUSTEES REPORT CONTINUED

Objects and Activities Continued

Chroma Church received a total of £37,500 in grants for funding Chroma Food Bank from the following organisations:

- Schroder Charity Trust
- Reaching Others
- Leicester Voluntary
- B&Q Foundation
- One Stop Community Partnership
- Lidl
- Asda

The following table shows how the grant money was awarded:

Expense	Funds Awarded
Food and Hygiene	£29,500
Permanent Shelter Structure	£8,000

Chroma Compassion also received £13,257 in individual donations.

Plans for 2023/2024

Encounter and Leadership Year- We will continue our Encounter & Leadership Year programme.

Chroma 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 want to write and produce our own materials and hope to release an **EP** at the end of 2023.

We have a number of events that Chroma Worship have been invited to - Empowered 21 Amsterdam & Pure Youth Conference, Germany.

Conferences- We hope to re-start our Presence & Promise Conference and to continue our Leaders Gatherings.

Livestream – It 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- These gatherings have been well received and we hope to continue and develop other venues when the opportunities arise.

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TRUSTEES REPORT CONTINUED

Plans for 2023/2024 Continued

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 are hosting our own youth camp 'Chosen' this year and assuming it's success see this as an annual event to encourage teenagers in our city and beyond.

Children -We want to continue to invest in our children and families throughout this season. We are seeing significant growth among our children and want to build on this momentum in both quality and facilities. It is becoming very clear we require more floor space for our children to thrive.

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.

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- Our lease is due for renewal in February 24. It is our preference to purchase this building and develop the entire site.

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.

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TRUSTEES REPORT CONTINUED

Financial Review Continued

Grants made

Total grants in the year are £86,378, among which smaller grants amount to £7,873 with no grant exceeding £1,000.

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 on 15th December 2023 and signed on their behalf by:

Steve Barber

eS02/2023, 10:46:05 GMT

Trustee/Director

R Turner.

@ If 18/12/2023,09:17:44 GMT

Trustee/Director

CHROMA CHURCH
(A COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2023

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 2023 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:

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).

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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 Parkes

signed on 18/12/2023, 11:25:19 GMT

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

Da : 18/12/2023

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

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
Donations and legacies	2	676,290	143,174	819,464	753,709
Investment income		673		673	14
CJRS grants					15,743
Other incoming resources		76	4,893	4,969	4,399
Total Incoming Resources		677,039	148,067	825,106	773,865
RESOURCES EXPENDED					
Charitable activities	3	731,830	152,748	884,578	738,009
Total Resources Expended		731,830	152,748	884,578	738,009
Net Income/(Expenditure)		(54,791)	(4,681)	(59,472)	35,856
Transfers between funds	10	(45,818)	45,818		
Fund balances at 1 April 2022		438,343	42,124	480,467	444,611
Fund balances at 31 March 2023		337,734	83,261	420,995	480,467

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	2023 £	2022 £
FIXED ASSETS			
Tangible assets	6	133,890	162,130
CURRENT ASSETS			
Debtors	7	48,647	49,974
Cash at bank	8	270,968	305,800
		319,615	355,774
CURRENT LIABILITIES			
Liabilities falling due within one year	9	(32,510)	(37,437)
Net Current Assets/(Liabilities)		287,105	318,337
NET ASSETS		<u>420,995</u>	<u>480,467</u>
FUND BALANCES			
Unrestricted funds	10		
General Funds		337,734	438,343
Restricted Funds	10	83,261	42,124
		420,995	480,467

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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 2023.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2023 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 15th December 2023 and were signed on its behalf by:

Steve Barber

signed on 18/12/2023, 10:46:05 GMT

S.D. Barber

Trustee/Director

R Turner

signed on 18/12/2023, 09:17:44 GMT

R Turner

Trustee/Director

CHROMA CHURCH
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STATEMENT OF CASH FLOWS

	Note	2023 £	2022 £
Cash flow from operating activities:			
Cash generated from operations	1	18,932	128,901
Tax recoverable		(5,398)	28,430
Net cash flow from operating activities		<u>13,534</u>	<u>157,331</u>
Cash flow from investing activities			
Purchase of tangible fixed assets		(52,017)	(57,680)
Disposal of tangible fixed assets		3,651	
Net cash flow from investing activities		<u>48,366</u>	<u>57,680</u>
Cash flow from financing activities			
Repayment of loans			(21,300)
Net cash flow from financing activities			<u>21,300</u>
Net increase / (decrease) in cash and cash equivalents		<u>(34,832)</u>	<u>78,352</u>
Cash and cash equivalent at 31 March 2022		<u>305,800</u>	<u>227,448</u>
Cash and cash equivalents at 31 March 2023		<u><u>270,968</u></u>	<u><u>305,800</u></u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		<u>270,968</u>	<u>305,800</u>
Cash and cash equivalents at 31 March 2023		<u><u>270,968</u></u>	<u><u>305,800</u></u>
 1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES		 2023 £	 2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		<u>(59,472)</u>	<u>35,856</u>
Adjustments for:			
Decrease/(increase) in debtors		6,725	(5,271)
(Decrease)/increase in creditors		(4,927)	20,033
Depreciation and impairment of tangible fixed assets		76,682	78,283
Profit on disposal of tangible fixed assets		(76)	
Net cash generated by (used in) operating activities		<u><u>18,932</u></u>	<u><u>128,901</u></u>

**CHROMA CHURCH
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FOR THE YEAR ENDED 31 MARCH 2023**

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 2023

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
Motor vehicle	Over 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 2023

NOTES TO THE FINANCIAL STATEMENTS

2. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Church members						
Church members gifts	543,454	90,201	633,655	561,864	14,377	576,241
Gift Aid tax recoverable	105,360	2,216	107,576	107,394	1,208	108,602
Miscellaneous voluntary income (Including grants)	27,476	50,757	78,233	14,039	54,827	68,866
	676,290	143,174	819,464	683,297	70,412	753,709

3 Charitable activities

		Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
3a. Direct charitable costs	Note						
Wages & salaries	5	309,020	26,098	335,118	250,446	24,811	275,257
Staff expenses		64,242		64,242	35,070		35,070
Chroma store purchases						5,621	5,621
Local church minist[Y							
Catering		450		450	620	1,312	1,932
Theological Training		928		928	2,853		2,853
Storehouse						25,706	25,706
Students		5,482		5,482	5,147		5,147
Sunday service		18,569		18,569	11,984		11,984
Youth		12,202		12,202	3,422		3,422
Worship		29,675	5,837	35,512	25,412		25,412
Children		9,875		9,875	1,959	3,312	5,271
Books & tapes		2,154		2,154	5,653		5,653
Evangelism		3,311		3,311	1,534		1,534
Depreciation		29,664	47,018	76,682	31,265	47,018	78,283
Grants payable	3c	14,995	71,383	86,378	30,893	8,071	38,964
		500,567	150,336	650,903	406,259	115,851	522,110

CHROMA CHURCH
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FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

3 Charitable activities (continued)

3b. Support & Administration	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Office expenses	38,796		38,796	41,050		41,050
Phone & internet	5,596		5,596	6,120		6,120
Insurance	13,487		13,487	10,162		10,162
Office equipment & maintenance	30,052		30,052	32,325		32,325
Office rent & Utilities	111,298		111,298	102,148		102,148
Printing, postage & stationery	5,630		5,630	739		739
Professional fees	15,948	2,412	18,360	13,675		13,675
Bank fees	7,157		7,157	6,680		6,680
Accounts and examination	3,300		3,300	3,000		3,000
	<u>231,264</u>	<u>2,412</u>	<u>233,676</u>	<u>215,899</u>		<u>215,899</u>
Combined charitable activity cost	<u>731,830</u>	<u>152,748</u>	<u>884,578</u>	<u>622,158</u>	<u>115,851</u>	<u>738,009</u>

During the year £3,300 (£3,000 in 2022) was paid for the independent examination.

3c. Grants

	Institutions £	Individuals £	2023 £	Institutions £	Individuals £	2022 £
Mission support	10,782	75,596	86,378	19,586	19,378	38,964
	<u>10,782</u>	<u>75,596</u>	<u>86,378</u>	<u>19,586</u>	<u>19,378</u>	<u>38,964</u>

4 Trustee wages and expenses

A Director, S Barber, received a gross salary of £47,555 (£45,728 in 2022) and pension contributions of £6,502 (£4,259 in 2022). He also received a manse allowance of £21,120 (£21,120 in 2022) 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.

1 (1 in 2022) trustee is accruing pension arrangements.

Trustees were also reimbursed for their out of pocket expenses incurred in their capacity as trustees of the church. During the year 2 (2 in 2022) were reimbursed expenses totalling £31,107 (£13,822 in 2022). At the balance sheet date £1,059 was payable to one trustee in respect of out of pocket expenses.

CHROMA CHURCH
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FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

5. Staff Costs

The average number of staff employed during the year was 16 (2022 - 16).

	Total 2023 £	Total 2022 £
Wages and Salaries	300,092	255,621
Social Security Costs	20,431	8,564
Pension costs	14,595	11,072
	335,118	275,257

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

One director (2022: One) is accruing retirement benefits under a money purchase scheme.

6. Tangible Fixed assets

	Motor Vehicles £	Equipment & Fittings £	Leasehold Property Improvements £	Total £
Cost				
At 1 April 2022		242,412	470,184	712,596
Additions	26,499	25,518		52,017
Disposals		(3,651)		{3,651}
At 31 March 2023	26,499	264,279	470,184	760,962
Accumulated Depreciation				
At 1 April 2022		166,819	383,647	550,466
Charge for the year		29,664	47,018	76,682
Eliminated on disposal		(76)		(76)
At 31 March 2023		196,407	430,665	627,072
Net book value				
At 31 March 2023	26,499	67,872	39,519	133,890
At 1 April 2022		75,593	86,537	162,130

CHROMA CHURCH
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NOTES TO THE FINANCIAL STATEMENTS

7. Debtors and Prepayments

	2023	2022
	£	£
Tax recoverable	18,692	13,294
Prepayments	27,090	28,493
Other debtors	2,865	<u>8,187</u>
	<u>48,647</u>	<u>49,974</u>

8. Cash at Bank and in Hand

	2023	2022
	£	£
Bank operating accounts	223,052	199,547
Bank deposits	47,916	106,253
	<u>270,968</u>	<u>305,800</u>

9. Creditors: Liabilities falling due within one year

	2023	2022
	£	£
Trade creditors	15,469	13,202
Accruals and deferred income	7,609	4,660
Pension	5,444	8,570
Credit card	3,988	<u>11,005</u>
	<u>32,510</u>	<u>37,437</u>

CHROMA CHURCH
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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 2022 £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance 31 March 2023 £
School of Ministry	3,714				3,714
Compassion ministry	29,139	53,714	(90,000)	7,561	414
Building fund		9,200	(49,430)	45,818	5,588
Eden	2,321			(2,321)	
Leaders Gathering	6,362	12,927	(10,837)		8,452
Chroma Store	347	4,893		(5,240)	
Prophetic Art Group	241				241
Chroma music		64,727			64,727
Leeroy Gotami's Family fund		2,606	(2,481)		125
	42,124	148,067	(152,748)	45,818	83,261

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

	Fixed assets £	Bank & cash balances £	other net assets/ liabilities £	Total £
Restricted funds	39,519	43,742		83,261
Unrestricted funds	94,371	227,226	16,137	337,734
	133,890	270,968	16,137	420,995

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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NOTES TO THE FINANCIAL STATEMENTS

10. Funds Continued

Leaders Gathering

This is for both those leading or aspiring to lead in the church or community. We gather from around the UK and beyond, to build relationship and receive encourage, training and empowerment for the calling God has placed in our life.

Chroma music

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

The comparative 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
Leaders Gathering		11,057	(4,695)		6,362
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>

11. Obligations under leases

The company had total guarantees and commitments at the balance sheet date of £75,000 (2022-£150,000) in respect of a property operating lease.

12. Related party transactions

During the year, the Church made donations to Valley Life Trust of which R C Turner is a trustee and to Eternal Wall of Answered Prayer of which P J Tuner is a trustee.