

GRACE CHURCH YATE
REPORT & FINANCIAL STATEMENTS
31 DECEMBER 2022

Charity Number 1133210

GRACE CHURCH YATE

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

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GRACE CHURCH YATE

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2022.

STRUCTURE GOVERNANCE AND MANAGEMENT

A constitution governs the charitable assets of the church from a legal perspective in accordance with the requirements of charity law. Regulations affecting the spiritual governance of the church are contained in a separate document entitled "Rules and Regulations".

In this church it shall be the Elders and Deacons, not otherwise disqualified from being trustees, who together, by the nature of their responsibilities, shall be the charity trustees, referred to in the Constitution as the "Office Bearers".

There must be a minimum of three Office Bearers at all times. The Church Members' Meeting, acting in accordance with the procedures set out in the constitution, shall appoint, remove and accept the resignation of Office Bearers.

The charity seeks to appoint new trustees as and when the current trustees see a requirement for additional trustees as part of the continuing nature of the charity. Training new trustees starts with an assessment that individuals meet criteria set out in the bible, then a period of testing is undertaken before a final recommendation is made by the trustees to a general church meeting for recognising a new individual joining the team of trustees.

CHARITY OBJECTIVES

The principal objective of the charity is the advancement of the Christian faith according to Baptist principles and in accordance with the Basis of Faith as stated in its constitution. The charity may also carry out other charitable purposes in the United Kingdom and/or other parts of the world.

The charity seeks to fulfil this objective by being a local church with a wide scope of different activities which include property ownership for holding public meetings, provision of housing and fund raising.

MAIN ACTIVITIES FOR PUBLIC BENEFIT

The church runs meetings open to all the public including worship, children's clubs and meetings for older folk. The church gives funds for the relief of poverty in the UK and overseas.

The church proclaims the gospel as described in the Basis of Faith in the constitution and encourages believers in the exercise of this faith.

The trustees have given due consideration to Charity Commission published guidance on the operation of the public benefit requirement and consider the open meetings, support for non-members, running of children's clubs, relief of poverty and provision of housing meet these requirements.

ACHIEVEMENTS IN THE YEAR

The church has recovered quite well from the Global pandemic of Covid-19. Activities started fully again after the removal of all restrictions during 2022. By the end of the year most activities had restarted by the year end.

The gospel was preached consistently over the year in accordance with the Basis of Faith set out in the constitution.

Support for other UK and overseas charities was maintained.

GRACE CHURCH YATE

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2022

The church purchased a property in Yate in 2012 and moved into the property in August 2013 after some initial development.

The church built a new church hall which caters for a larger number of people during 2019 and it was opened for church meetings towards the end of 2019. Some aspects of the development of the site continued into 2022 and there is a small amount of work which will be completed in 2023 when the project is expected to be completed.

The church rented residential flats from part of the property during the year. Income from these rents is considered part of the general funds of the church and is available to fund any activities of the church. Priority for these funds is loan repayments and continuing property development.

FINANCIAL REVIEW

The church expenditure on Charitable activities is set out in Note 5 and amounts to £125,773. Additional expenditure, as set out in Note 4, of £22,156 is for managing the rental properties which generate their own income to cover these costs. The remaining £125,773 is considered by the Trustees as expenditure in pursuit of the normal activities of a church. The expenditure is lower than the church would normally expect because the church has not found a replacement for the full-time eldership role and a reduced level of wages will follow until a replacement is found.

The church expenditure on the development of the buildings amounted to £2,506 in the year. The church began holding meetings in the new church hall in 2019, however some aspects of the development were not complete by the end of 2019. The years 2020 and 2022 have seen widespread economic disruption due to the Covid 19 pandemic and completion of the final stages of the development has been delayed, but all aspects of the building is expected to be completed in 2023.

The Trustees seek to maintain cash balances of a minimum of £20,000 to carry on the normal church activities for several months if no income is received during those months. The Trustees will monitor the cash reserves carefully in the foreseeable future and reduce expenditure appropriately to manage cash reserves.

The cash balances of the church at the year end were £83,787. This represents more cash than £20,000, the target cash holding.

The Trustees expect most of the surplus cash reserves to be used in 2023 completing the property development by making final payments on continuing issues from the building work and to continue repaying the loans which have been taken out to enable the church to develop the site.

The Trustees are expecting all loans to be repaid over a period of 10 to 12 years.

THE IMPACT OF COVID 19 ON THE CHARITY AND THE COST OF LIVING CRISIS

The funds of the charity are mainly raised from the members by voluntary donations and rental income from residential properties. Both sources are dependent on the personal circumstances of individuals. The full impact of a general economic slowdown resulting from the Covid 19 virus and control measures in society are unknown and difficult to predict. During the year the church has received funds into the general fund which have maintained the general fund income. Income has reduced to restricted funds as the development work on the church buildings have moved towards completion, and the need for money to complete the building has reduced.

The Trustees will monitor income and reduce expenditure where necessary to maintain the viability of the church overall.

GRACE CHURCH YATE

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2022

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees

Derek Morland
Trustee: Deacon

Date: 14th July 2023

GRACE CHURCH YATE

REFERENCE & ADMINISTRATIVE INFORMATION

YEAR ENDED 31 DECEMBER 2022

Registered charity name Grace Church Yate

Charity registration number 1133210

The charity changed its name to Grace Church Yate, in March 2013.

The Charity's main address is:

c/o Mr JR Gulliford
20 Frampton End Road
Frampton Cotterell
Bristol BS36 2JZ

TRUSTEES

The trustees who managed the charity during the year were:

Mr R Gulliford	Mr J Barber
Mr G Williams	Mr D Morland
Mr JA Gulliford	Mr K Rawlings
Mr JR Gulliford	Mr S Walker-Cox
Mr T Chewter	Mr P Jeal
	Mr C Prendergast

Signed on behalf of the Trustees

Derek Morland
Trustee: Deacon

Date: 14th July 2023

GRACE CHURCH YATE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF GRACE CHURCH YATE

YEAR ENDED 31 DECEMBER 2022

I report to the trustees on my examination of the accounts of Grace Church Yate (the Charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity'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 material 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 Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Joshua Kingston, BSc ACA
Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol
BS48 1UR

Date: 14th July 2023

GRACE CHURCH YATE

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME					
Donations	2	119,712	62,083	181,795	184,787
Investment income	3	85,129	-	85,129	84,220
TOTAL INCOME		204,841	62,083	266,924	269,007
EXPENDITURE on					
Raising funds	4	22,156	-	22,156	16,682
Charitable activities	5	103,057	22,716	125,773	103,050
TOTAL EXPENDITURE		125,213	22,716	147,929	119,732
NET INCOME	8	79,628	39,367	118,995	149,725
TRANSFERS Between Funds					
15/16		39,367	(39,367)	-	-
NET MOVEMENT IN FUNDS		118,995	-	118,995	149,275
RECONCILIATION OF FUNDS					
Total funds brought forward		2,016,424	-	2,016,424	1,867,149
TOTAL FUNDS CARRIED FORWARD	15/16	2,135,419	-	2,135,419	2,016,424

The Statement of Financial Activities includes all gains and losses in the year and therefore a Statement of Comprehensive Income has not been prepared.

All of the above amounts relate to continuing activities.

Prior year fund comparatives for 2021 are included in note 10.

The notes on pages 8 to 15 form part of these financial statements.

GRACE CHURCH YATE**BALANCE SHEET****YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	11	1,353,763	1,362,911
Investments	12	1,400,000	1,400,000
TOTAL FIXED ASSETS		2,753,763	2,762,911
CURRENT ASSETS			
Cash at Bank		83,787	120,327
		83,787	120,327
CREDITORS: Amounts falling due within one year	13	(7,131)	(6,814)
NET CURRENT ASSETS		76,656	113,513
TOTAL ASSETS LESS CURRENT LIABILITIES		2,830,419	2,876,424
CREDITORS: Amounts falling due after more than one year	14	(695,000)	(860,000)
TOTAL NET ASSETS		2,135,419	2,016,424
THE FUNDS OF THE CHARITY			
Restricted income funds	17	-	-
Unrestricted income funds	17	2,135,419	2,016,424
TOTAL CHARITY FUNDS	17	2,135,419	2,016,424

These financial statements were approved by the members of the committee on the 14th July 2023 and are signed on their behalf by:

D Morland
Trustee: Deacon

The notes on pages 8 to 15 form part of these financial statements.

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

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

The Trustees have prepared the financial statements on a going concern basis given the free reserves held by the charity and the careful planning of the Trustees. Impact from Covid-19 and the cost of living crisis of late 2022 is considered by the trustees in the Trustees Report on page 2.

The charity is a Public Benefit entity.

Income

Income is recognised in the accounts when the charity becomes entitled to the income, it is probable that the income will be received, and the value can be measured reliably.

Expenditure

Expenditure is recognised when a present legal or constructive obligation exists, which can be measured reliably.

Most expenditure is for meeting the church objectives i.e., operating as a church.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs are recognised within Charitable Activities.

Cash at Bank

Cash represents charity accounts maintained with banks repayable without penalty on notice of not more than 24 hours.

Creditors and Loans

Short term creditors are recognised at transaction price.

Loans falling due after more than 1 year are recognised at transaction value. These loans have been made interest free with agreement that the loans will be repaid after more than 1 year and over the next 10 years. Repayment dates are not known or agreed in advance.

Fund Designation

Unrestricted funds

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

Designated funds

Designated funds are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

1. ACCOUNTING POLICIES (continued)**Restricted 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. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Fixed assets

All fixed assets are recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Buildings 1% per year

Investments

Investment property is held at valuation. The Trustees conducted their own valuation of the investment properties at the year end.

2. DONATIONS

2022	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations	<u>119,712</u>	<u>62,083</u>	<u>181,795</u>

2021	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations	<u>117,675</u>	<u>67,112</u>	<u>184,787</u>

3. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Rent receivable	85,129	-	85,129	84,206
Bank Interest	-	-	-	14
	<u>85,129</u>	<u>-</u>	<u>85,129</u>	<u>84,220</u>

The 2021 investment income categories were all unrestricted funds.

4. COSTS OF RAISING FUNDS BY FUND TYPE AND ACTIVITY

2022	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Management of Property for Rent	<u>22,156</u>	<u>-</u>	<u>22,156</u>

2021	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Management of Property for Rent	<u>16,682</u>	<u>-</u>	<u>16,682</u>

5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE AND ACTIVITY

2022	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Church building and general costs	19,318	-	19,318
Wages	41,236	-	41,236
Outreach and preaching	3,459	-	3,459
Missionary and social support	25,542	22,716	48,258
Governance Costs (Note 7)	1,848	-	1,848
Depreciation of buildings	11,654	-	11,654
Church Activities	<u>103,057</u>	<u>22,716</u>	<u>125,773</u>

2021	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Church building and general costs	10,632	-	10,632
Wages	26,474	-	26,474
Outreach and preaching	1,828	-	1,828
Missionary and social support	30,884	31,552	62,436
Governance Costs (Note 7)	1,680	-	1,680
Church Activities	<u>71,498</u>	<u>31,552</u>	<u>103,050</u>

GRACE CHURCH YATE**NOTES TO THE ACCOUNTS****YEAR ENDED 31 DECEMBER 2022****6. GRANTS**

Included within missionary and social support and outreach and preaching are grants paid during the year, which are summarised as follows:

	2022	2021
	£	£
Organisations		
Lanka Evangelical Fellowship of Churches (Sri Lanka)	26,217	36,385
Forest Fold Baptist Church (Cyprus support)	8,210	8,327
Star Fish Asia (Khanpur School)	3,935	9,620
Morning Star Children's Centre (South Africa)	3,134	3,313
Barnabas Fund	3,923	-
Penknapp Providence Church	-	1,000
Caring for Life	180	-
Other grants	40	-
Individuals		
Youssef Naciri	2,080	3,792
Individuals for Preaching expenses	1,671	983
Total	49,390	63,419

7. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£
Independent Examiner's fee	1,848	1,848	1,680
	1,848	1,848	1,680

The Independent Examiners Fee paid in 2021 was from Unrestricted Funds

8. NET INCOME

This is stated after charging:

	2022	2021
	£	£
Depreciation of buildings	11,654	-
Independent Examiner's fee	1,848	1,680

9. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2022	2021
	£	£
Wages and salaries	41,224	26,474
Social security costs	-	-
Pension contributions	12	-
	41,236	26,474

9. STAFF COSTS AND EMOLUMENTS (continued)**Particulars of employees:**

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

	2022	2021
	No	No
Full/Part Time Ministry	1	1
Training	1	-
	2	1

No employee received remuneration of more than £60,000 during the year (2021 – Nil).

The church has had no full time position since 30th September 2020. Several of the trustees and some members have increased their commitment to the church since that time to substitute for the loss of the full time position. One of these individuals has been paid for a part time role.

His total employee benefits were £37,557 (2021 - £26,474).

In the year 2022 the church supported an individual through seminary training for part of the year. (These costs include Gross Pay, Employers Pension costs and Employers National Insurance)

10. PRIOR YEAR FUND COMPARATIVES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
INCOME			
Donations	117,675	67,112	184,787
Investment income	84,220	-	84,220
TOTAL INCOME	201,895	67,112	269,007
EXPENDITURE on			
Raising funds	16,682	-	16,682
Charitable activities	71,498	31,552	103,050
TOTAL EXPENDITURE	88,180	31,552	119,732
NET INCOME	113,715	35,560	149,275
TRANSFERS Between Funds	35,560	(35,560)	-
NET MOVEMENT IN FUNDS	149,275	-	149,275
RECONCILIATION OF FUNDS			
Total funds brought forward	1,867,149	-	1,867,149
TOTAL FUNDS CARRIED FORWARD	2,016,424	-	2,016,424

GRACE CHURCH YATE
NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2022

11. TANGIBLE FIXED ASSETS

	Freehold Property £
COST	
At 1 January 2022	1,362,911
Additions in the year	2,506
Disposals in the year	-
At 31 December 2022	<u>1,365,417</u>
DEPRECIATION	
At 1 January 2022	-
Charge for the year	11,654
At 31 December 2022	<u>11,654</u>
NET BOOK VALUE	
At 31 December 2022	<u>1,353,763</u>
At 31 December 2021	<u>1,362,911</u>

12 INVESTMENTS

	Investment Property £
COST and VALUATION	
At 1 January 2022	1,400,000
At 31 December 2022	<u>1,400,000</u>

Investment property has been separated from property held for operational use as a tangible fixed asset in the year 2019, as the rental property was substantially completed during that year.
Some work continued on the site into 2021 but related to property held for use in church activity.
The rental income of the properties remained substantially the same during the pandemic in 2021 and 2020.

13 CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Accruals	1,846	1,650
Rent in Advance	3,285	3,164
Personal Loans	2,000	2,000
	<u>7,131</u>	<u>6,814</u>

GRACE CHURCH YATE

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2022

14 CREDITORS: Amounts falling due after more than one year

	2022 £	2021 £
Loans repayable in the periods:		
2-3 years	-	-
Over 10 years	695,000	860,000
	<u>695,000</u>	<u>860,000</u>

All loans are unsecured.

15. RESTRICTED INCOME FUNDS

2022	Balance at 1 Jan 2022 £	Income £	Expenditure £	Fund Transfers £	Balance at 31 Dec 2022 £
Gifts earmarked for specific recipients	-	22,716	(22,716)	-	-
Gifts for property loan repayments and development	-	39,367	-	(39,367)	-
	<u>-</u>	<u>62,083</u>	<u>(22,716)</u>	<u>(39,367)</u>	<u>-</u>

Gifts for loan repayments are used to repay loans and are transferred to repay from general funds.

Gifts for property development are transferred to general funds to cover development expenses which become general funds.

2021	Balance at 1 Jan 2021 £	Income £	Expenditure £	Fund Transfers £	Balance at 31 Dec 2021 £
Gifts earmarked for specific recipients	-	31,552	(31,552)	-	-
Gifts for property loan repayments and development	-	35,560	-	(35,560)	-
	<u>-</u>	<u>67,112</u>	<u>(31,552)</u>	<u>(35,560)</u>	<u>-</u>

16. UNRESTRICTED INCOME FUNDS

2022	Balance at 1 Jan 2022 £	Income £	Expenditure £	Fund Transfers £	Balance at 31 Dec 2022 £
General Funds	2,016,424	204,841	(125,213)	39,367	2,135,419
	<u>2,016,424</u>	<u>204,841</u>	<u>(125,213)</u>	<u>39,367</u>	<u>2,135,419</u>

GRACE CHURCH YATE

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2022

16. UNRESTRICTED INCOME FUNDS (Continued)

2021	Balance at 1 Jan 2021 £	Income £	Expenditure £	Fund Transfers £	Balance at 31 Dec 2021 £
General Funds	1,867,149	201,895	(88,180)	35,560	2,016,424
	<u>1,867,149</u>	<u>201,895</u>	<u>(88,180)</u>	<u>35,560</u>	<u>2,016,424</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2022	Fixed assets £	Net current assets £	Long term liabilities £	Total £
Unrestricted Income Funds:				
General Funds	2,753,763	76,656	(695,000)	2,135,419
Restricted Income Funds	-	-	-	-
Total Funds	<u>2,753,763</u>	<u>76,656</u>	<u>(695,000)</u>	<u>2,135,419</u>

2021	Fixed assets £	Net current assets £	Long term liabilities £	Total £
Unrestricted Income Funds:				
General Funds	2,762,911	113,513	(860,000)	2,016,424
Restricted Income Funds	-	-	-	-
Total Funds	<u>2,762,911</u>	<u>113,513</u>	<u>(860,000)</u>	<u>2,016,424</u>

18. RELATED PARTY TRANSACTIONS

A trustee was paid travel expenses when on church activities outside the UK of £nil (2021 - £nil). No other Trustee expenses have been waived or reimbursed during the current or previous years.

The following trustees were employed and paid by the church in accordance with the charity's constitution.

Mr JR Gulliford was paid a salary of £37,557 and pension contributions of £nil in the year for the work of part-time elder of the church (2021 £26,473, Pension £nil).

Trustee loans to the church in the year totalled £nil at the year-end (2021 - £nil).

There were no further related party transactions in the year.