

**REGISTERED COMPANY NUMBER: 06993403 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1133425**

**REPORT OF THE TRUSTEES AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
**FOR**  
**WAY CHURCH**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**PREVIOUSLY KNOWN AS TODAY'S COMMUNITY CHURCH**

Fairhurst  
Statutory Auditor  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
Lancashire  
WN1 2TB

**WAY CHURCH**

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for the Year Ended 31 December 2022**

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## **WAY CHURCH**

### **REPORT OF THE TRUSTEES for the Year Ended 31 December 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The principal activity of the charitable company in the year under review was that of allowing the space created within the church to be occupied and enjoyed for the purpose of preaching and teaching the Gospel, in addition to being used for the benefit of the borough.

The aim for 2023 is to continue in this vein and to extend the charitable activities of the church.

##### **Vision Statement**

Our Vision is that the Church we are becoming....

1. Actively loves God and loves people
2. Is large enough to reach a region yet small enough to touch the individual
3. Is relationally strong and spiritually deep
4. Is a growing community, a multi-generational people who are inwardly caring and outwardly reaching to the world around them
5. Inspires ordinary people to be all they can become, and empowers them to achieve the extraordinary
6. Is fun to be a part of; an energising community in which to grow
7. Is vibrant in worship and powerful in word
8. Is God pleasing and people honouring; a house of generosity
9. Positively defies all expectations of it and is renowned for going the extra mile
10. Speaks life, gives life and brings life wherever it goes.

## **WAY CHURCH**

### **REPORT OF THE TRUSTEES for the Year Ended 31 December 2022**

#### **STRATEGIC REPORT**

##### **Achievement and performance**

##### **Overview of activities in 2022 and plans for 2023**

Today's Community Church changed name to Way Church in November 2022.

In addition to the reframe we have invested mainly in our community growth, where a number of new activities started, such as a toddler weekly activity, warm and safe space for coffee and a toastie and much more. The assessment of numerical growth continued to be a challenge, but we do know that we had an increase of over 100 new attendees by the end of 2022, however with our reframe we also changed our Church system, which improved our ability to manage important aspects of our community, including people registering, safeguarding controls and finance management. Part of plans for 2023 is to increase the community groups activities and we are working to start a school program where our Youth and Kids leaders would be able engage with students to provide pastoral care.

Since 2021, when we opened a Community Grocery on site, we have reached over 2200 members and an average of 53 shops per day by the end of the year, and continue to see growth. Some of the grocery members have also engaged in other groups and gatherings.

The Corporate hire of our rooms had a massive growth in 2022, where we increased above the pre-COVID mark, with 2023 also seeing an upward trend. Postcode Coffee House had an increase of 39% on guests, that also increased the number of opportunities for us to engage with different range of people from our community. We plan to increase the menu in 2023 and also include other ways to support our conferencing hire catering.

The heart of all we do is to reach out to people and show them the love of God. We have continued to do this through our various church gatherings, hospitality in both the corporate hires and Postcode Coffee House, Community Grocery and also by investing in future leaders both through our onsite Leadership College and our international Learning Community in Czech Republic.

The staff and Directors have worked tirelessly over the year to continually create welcoming environments, increase our income in the various income streams, and steward well the income that is received. We commit to this to ensure that Way Church remains at the forefront of a loving, growing, serving community that is fit for purpose now and for many future years to come, therefore we have our 5 in 10 vision which includes a Community Video/Music studio, a Community Wellbeing Counselling as other features to engage with the community in general. As we move into 2023 our focus is to strengthen our team and our infrastructure to optimise our current activity and prepare for future growth.

#### **Financial review**

##### **Financial position**

The Trustees and management set a budget (income and expenditure) at the start of each year and this is monitored closely throughout the year with the Trustees receiving monthly written reports as well as verbal reports during Trustee meetings.

Total income for the 12 months ended 31st December 2022 was £1,147,830, with expenditure of £1,108,621. There are no restricted reserves and therefore £39,209 was added to the reserves of the Church.

Total repayments of £74,142 were made during the year against the bank loan, leaving an outstanding balance of £1,430,949.

The net current assets were £18,210, which are less than anticipated as the charity aims to keep this at a minimum of £150,000 to cover approximately 3 months employee costs and to act as operating capital.

#### **Principal funding sources**

The principal funding source is donations given by members of the congregation of the church.

## **WAY CHURCH**

### **REPORT OF THE TRUSTEES for the Year Ended 31 December 2022**

#### **STRATEGIC REPORT**

##### **Financial review**

##### **Reserves policy**

The Charity Reserves represent the unrestricted funds arising from past and current operating results.

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Risk management**

The trustees have assessed the major risks to which the charity is exposed: in particular those related to the operations and the finances of the Trust. The trustees are satisfied that the systems are in place to provide reasonable assurance against fraud and error.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

06993403 (England and Wales)

##### **Registered Charity number**

1133425

##### **Registered office**

The Edge  
Riveredge  
Wigan  
Greater Manchester  
WN3 5AB

##### **Trustees**

Mr S Rodick  
Mrs A L Burton  
Mr D I Moore  
Mr G Hogg Director (appointed 17/5/2022)  
Mr B R Tarbuck (appointed 18/5/2022)  
Ms C Atherton (appointed 23/1/2023)

##### **Company Secretary**

Mrs J Tickle

##### **Auditors**

Fairhurst  
Statutory Auditor  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
Lancashire  
WN1 2TB

#### **CHANGE OF NAME**

The charitable company passed a special resolution on 2 November 2022 changing its name from Today's Community Church to Way Church.

## WAY CHURCH

### REPORT OF THE TRUSTEES for the Year Ended 31 December 2022

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Way Church for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITORS

The auditors, Fairhurst, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 27 September 2023, 15:50 BST and signed on the board's behalf by:



.....  
Mr B R Tarbuck - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
WAY CHURCH  
PREVIOUSLY KNOWN AS TODAY'S COMMUNITY CHURCH**

**Opinion**

We have audited the financial statements of Way Church (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
WAY CHURCH  
PREVIOUSLY KNOWN AS TODAY'S COMMUNITY CHURCH**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
WAY CHURCH  
PREVIOUSLY KNOWN AS TODAY'S COMMUNITY CHURCH**

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, The Companies Act 2006, UK Tax, employment, pension and health & safety regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and Charities Act.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements.

Our procedures to respond to risks identified included the following:

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- reviewing the financial statement disclosures and performing tests on supporting documentation to assess compliance with the provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management about actual and potential litigation and claims; their policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls: testing the appropriateness of journal entries; assessing whether the accounting estimates, judgements and decisions made by management are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspections of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
WAY CHURCH  
PREVIOUSLY KNOWN AS TODAY'S COMMUNITY CHURCH**

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Fairhurst*

Jane Dennis BA(Hons) FCA (Senior Statutory Auditor)  
for and on behalf of Fairhurst  
Statutory Auditor  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
Lancashire  
WN1 2TB

27 September 2023 | 15:53 BST

Date: .....

**WAY CHURCH**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**for the Year Ended 31 December 2022**


		2022 Unrestricted fund £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
<b>Charitable activities</b>	5		
Church activities		567,268	557,818
Other fundraising activities		574,499	232,826
Investment income	4	63	20
Other income	6	<u>6,000</u>	<u>68,487</u>
<b>Total</b>		<u>1,147,830</u>	<u>859,151</u>
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	7		
Church activities		615,423	383,733
Other fundraising activities		<u>493,198</u>	<u>310,222</u>
<b>Total</b>		<u>1,108,621</u>	<u>693,955</u>
 <b>NET INCOME</b>		39,209	165,196
 <b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		3,543,841	3,378,645
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>3,583,050</u></u>	<u><u>3,543,841</u></u>

The notes form part of these financial statements

**WAY CHURCH**  
**STATEMENT OF FINANCIAL POSITION**  
**31 December 2022**

	Notes	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	13	5,267,165	5,269,582
<b>CURRENT ASSETS</b>			
Stocks	14	7,952	8,266
Debtors	15	58,140	26,512
Cash at bank and in hand		<u>113,420</u>	<u>205,905</u>
		179,512	240,683
<b>CREDITORS</b>			
Amounts falling due within one year	16	(161,302)	(123,232)
		<u>18,210</u>	<u>117,451</u>
<b>NET CURRENT ASSETS</b>			
		<u>18,210</u>	<u>117,451</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,285,375	5,387,033
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	(1,411,725)	(1,497,867)
<b>ACCRUALS AND DEFERRED INCOME</b>	21	(290,600)	(345,325)
		<u>3,583,050</u>	<u>3,543,841</u>
<b>NET ASSETS</b>		<u>3,583,050</u>	<u>3,543,841</u>
<b>FUNDS</b>	22		
Unrestricted funds		<u>3,583,050</u>	<u>3,543,841</u>
<b>TOTAL FUNDS</b>		<u>3,583,050</u>	<u>3,543,841</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27 September 2023. 15:50 BST were signed on its behalf by:

  
 .....  
 Mr B R Tarbuck - Trustee

The notes form part of these financial statements

## WAY CHURCH

STATEMENT OF CASH FLOWS  
for the Year Ended 31 December 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	87,321	208,208
Interest paid		(63,095)	(45,551)
Interest element of hire purchase payments paid		<u>(4,091)</u>	<u>(7,613)</u>
Net cash provided by operating activities		<u>20,135</u>	<u>155,044</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(37,794)	(75,306)
Interest received		<u>63</u>	<u>20</u>
Net cash used in investing activities		<u>(37,731)</u>	<u>(75,286)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(74,142)	(68,630)
Capital repayments on HP in year		<u>(747)</u>	<u>(25,016)</u>
Net cash used in financing activities		<u>(74,889)</u>	<u>(93,646)</u>
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		(92,485)	(13,888)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>205,905</u>	<u>219,793</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>113,420</u></u>	<u><u>205,905</u></u>

The notes form part of these financial statements

## WAY CHURCH

NOTES TO THE STATEMENT OF CASH FLOWS  
for the Year Ended 31 December 2022

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

	2022 £	2021 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	39,209	165,196
<b>Adjustments for:</b>		
Depreciation charges	39,693	32,274
Loss on disposal of fixed assets	518	1,801
Interest received	(63)	(20)
Interest paid	63,095	45,551
Interest element of hire purchase and finance lease rental payments	4,091	7,613
Decrease/(increase) in stocks	314	(2,348)
(Increase)/decrease in debtors	(31,628)	6,419
Decrease in creditors	<u>(27,908)</u>	<u>(48,278)</u>
<b>Net cash provided by operations</b>	<u>87,321</u>	<u>208,208</u>

## 2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/22 £	Cash flow £	At 31/12/22 £
<b>Net cash</b>			
Cash at bank and in hand	<u>205,905</u>	<u>(92,485)</u>	<u>113,420</u>
	<u>205,905</u>	<u>(92,485)</u>	<u>113,420</u>
<b>Debt</b>			
Finance leases	(1,054)	747	(307)
Debts falling due within 1 year	(70,000)	-	(70,000)
Debts falling due after 1 year	<u>(1,435,091)</u>	<u>74,142</u>	<u>(1,360,949)</u>
	<u>(1,506,145)</u>	<u>74,889</u>	<u>(1,431,256)</u>
<b>Total</b>	<u>(1,300,240)</u>	<u>(17,596)</u>	<u>(1,317,836)</u>

The notes form part of these financial statements

## WAY CHURCH

### NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2022

#### 1. STATUTORY INFORMATION

Today's Community Church is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found in the Report of the Trustees.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

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

The principal accounting policies adopted in the preparation of the financial statements are set out below.

The Trustees consider that there are no material uncertainties regarding the charitable company's ability to continue as a going concern.

##### **Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised when receivable. Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates. Any amounts of Gift Aid not received by the year-end are accounted for in income and accrued income within debtors.

Income received in advance for any future event is deferred until the criteria for income recognition is met.

Coffee shop income is recognised on point of sale.

Where income has related expenditure (as with fundraising or coffee shop income), the income and related expenditure are reported gross in the Statement of Financial Activities.

##### **Expenditure and irrecoverable vat**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, 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.

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

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Governance costs**

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

##### **Support costs**

Support costs include those relating to the finance function.

## WAY CHURCH

### NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 December 2022

#### 2. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

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

Freehold & long leasehold property	- not provided
Motor vehicles	- 33% on cost
Office equipment	- 20% on reducing balance

No depreciation has been provided on freehold property on the grounds that the depreciation charge and accumulated depreciation are not material. This is due to the high residual value of the building. The company performs an annual maintenance review and has a policy and practice of regular maintenance and repair, such that the asset is kept at its previously assessed standard of performance, and it is unlikely to suffer from economic or technological obsolescence.

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Taxation**

The company is considered to pass the tests set out in Sch. 6, para1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the company is potentially exempt from taxation in respect of income received to the extent that such income is applied exclusively to charitable purposes.

##### **Fund accounting**

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

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

Unless stated otherwise in the notes to the financial statements, income and expenditure is unrestricted.

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

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

##### **Financial instruments**

The company has elected to apply the provisions of FRS 102 Section 11 'Basic Financial Instruments' to all of its financial instruments.

The following assets and liabilities are classified as financial instruments; bank accounts, trade debtors, trade creditors, bank borrowings and accruals.

Financial instruments that are payable or receivable within one year are measured initially and subsequently at the undiscounted amount of the cash or other consideration that is expected to be paid or received.



**WAY CHURCH****NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2022****3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION  
UNCERTAINTY**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimations and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis.

No critical accounting estimates or judgements have been made by the trustees during the preparation of these accounts.

**4. INVESTMENT INCOME**

	2022	2021
	£	£
Deposit account interest	<u>63</u>	<u>20</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

		Other	2022	2021
	Church	fundraising	Total	Total
	activities	activities	activities	activities
	£	£	£	£
Offerings and donations	488,658	-	488,658	462,559
Gift Aid	62,847	-	62,847	73,751
Fundraising events	5,171	-	5,171	5,782
Coffee shop income	-	204,208	204,208	94,361
Grants	-	-	-	15,000
Miscellaneous income	10,592	-	10,592	2,588
Commercial letting	-	47,177	47,177	46,792
Concerts	-	44,900	44,900	10,905
Conferencing	-	116,100	116,100	35,564
Arena (new build hire)	-	162,114	162,114	43,342
	<u>567,268</u>	<u>574,499</u>	<u>1,141,767</u>	<u>790,644</u>

**6. OTHER INCOME**

Other income relates to Government COVID assistance that has been provided during the year as follows:

	2022	2021
	£	£
Furlough income	-	28,737
Local government grants	6,000	39,750

## WAY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2022

## 7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Church activities	589,985	25,438	615,423
Other fundraising activities	<u>493,198</u>	<u>-</u>	<u>493,198</u>
	<u>1,083,183</u>	<u>25,438</u>	<u>1,108,621</u>

## 8. SUPPORT COSTS

	2022 £	2021 £
Auditors remuneration	4,856	4,739
Fees paid to 3rd party in relation to accountancy support	20,582	18,145

## 9. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Auditors' remuneration	4,856	4,739
Depreciation - owned assets	39,693	32,275
Deficit on disposal of fixed assets	<u>518</u>	<u>1,801</u>

## 10. TRUSTEES' REMUNERATION AND BENEFITS

No remuneration or benefits are paid to the trustees in respect of their duties as trustees.

However one company has invoiced the charity for services provided by Mrs Annette Burton, in respect of her role as Commercial Manager.

Further details of these transactions are reported under Related Party Transactions.

**Trustees' expenses**

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

## 11. STAFF COSTS

	2022 £	2021 £
Wages and salaries	496,979	333,304
Social security costs	24,565	8,844
Other pension costs	<u>5,933</u>	<u>3,622</u>
	<u>527,477</u>	<u>345,770</u>

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

	2022	2021
Paid employees	<u>37</u>	<u>28</u>

**WAY CHURCH****NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2022****11. STAFF COSTS - continued**

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

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
<b>Charitable activities</b>	
Church activities	557,818
Other fundraising activities	232,826
Investment income	20
Other income	<u>68,487</u>
<b>Total</b>	<u>859,151</u>
 <b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
Church activities	383,733
Other fundraising activities	<u>310,222</u>
<b>Total</b>	<u>693,955</u>
 <b>NET INCOME</b>	 165,196
 <b>RECONCILIATION OF FUNDS</b>	
Total funds brought forward	 <u>3,378,645</u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>	 <u><u>3,543,841</u></u>

## WAY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2022

## 13. TANGIBLE FIXED ASSETS

	Freehold & long leasehold property £	Motor vehicles £	Office equipment £	Totals £
<b>COST</b>				
At 1 January 2022	5,082,157	-	363,242	5,445,399
Additions	-	11,266	26,528	37,794
Disposals	-	-	(2,447)	(2,447)
At 31 December 2022	<u>5,082,157</u>	<u>11,266</u>	<u>387,323</u>	<u>5,480,746</u>
<b>DEPRECIATION</b>				
At 1 January 2022	-	-	175,817	175,817
Charge for year	-	1,599	38,094	39,693
Eliminated on disposal	-	-	(1,929)	(1,929)
At 31 December 2022	<u>-</u>	<u>1,599</u>	<u>211,982</u>	<u>213,581</u>
<b>NET BOOK VALUE</b>				
At 31 December 2022	<u>5,082,157</u>	<u>9,667</u>	<u>175,341</u>	<u>5,267,165</u>
At 31 December 2021	<u>5,082,157</u>	<u>-</u>	<u>187,425</u>	<u>5,269,582</u>

## 14. STOCKS

	2022 £	2021 £
Stocks	<u>7,952</u>	<u>8,266</u>

## 15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	43,090	15,061
Other debtors	2,560	-
Prepayments and accrued income	<u>12,490</u>	<u>11,451</u>
	<u>58,140</u>	<u>26,512</u>

## WAY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2022**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Bank loans and overdrafts (see note 18)	70,000	70,000
Hire purchase (see note 19)	307	1,054
Trade creditors	20,614	13,570
Social security and other taxes	15,255	4,308
VAT	21,000	3,223
Other creditors	15,559	18,113
Accruals and deferred income	<u>18,567</u>	<u>12,964</u>
	<u>161,302</u>	<u>123,232</u>

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

	2022	2021
	£	£
Bank loans (see note 18)	1,360,949	1,435,091
Other creditors	<u>50,776</u>	<u>62,776</u>
	<u>1,411,725</u>	<u>1,497,867</u>

**18. LOANS**

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>70,000</u>	<u>70,000</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>70,000</u>	<u>70,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>194,167</u>	<u>204,167</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	1,096,782	1,160,924

## WAY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2022**19. LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Net obligations repayable:		
Within one year	<u>307</u>	<u>1,054</u>

**20. SECURED DEBTS**

The following secured debts are included within creditors:

	2022 £	2021 £
Bank loans	<u>1,430,949</u>	<u>1,505,091</u>

Lloyds Bank PLC holds a fixed and floating charge (dated 17th March 2016) over all the property or undertakings of the company.

The charge was extended on 25th March 2016 to cover the land that had been transferred to the company by Wigan Borough Council.

**21. ACCRUALS AND DEFERRED INCOME**

	2022 £	2021 £
Accruals and deferred income	<u>290,600</u>	<u>345,325</u>

**22. MOVEMENT IN FUNDS**

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
<b>Unrestricted funds</b>			
General fund	3,543,841	39,209	3,583,050
	<u>3,543,841</u>	<u>39,209</u>	<u>3,583,050</u>
<b>TOTAL FUNDS</b>			
	<u>3,543,841</u>	<u>39,209</u>	<u>3,583,050</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,147,830	(1,108,621)	39,209
	<u>1,147,830</u>	<u>(1,108,621)</u>	<u>39,209</u>
<b>TOTAL FUNDS</b>			
	<u>1,147,830</u>	<u>(1,108,621)</u>	<u>39,209</u>

**WAY CHURCH****NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2022****22. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
<b>Unrestricted funds</b>			
General fund	3,378,645	165,196	3,543,841
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>3,378,645</u>	<u>165,196</u>	<u>3,543,841</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	859,151	(693,955)	165,196
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>859,151</u>	<u>(693,955)</u>	<u>165,196</u>

**23. RELATED PARTY DISCLOSURES**

Payments shown as trustees remuneration includes an amount of £Nil (2021: £52,483) paid to Expand Limited in respect of services for ministerial and leadership duties. David Belfield, a trustee of the Charity, resigned as director of this company on 31st December 2021.

Payments shown as trustees remuneration includes an amount of £15,516 (2021: £12,899) paid to Kedros Colour Limited in respect of services as the Commercial Manager. Mrs Annette Burton, a trustee of the Charity, is an employee of this company. Annette also received a salary of £5,650 during the financial year for her services as Corporate Manager.

Salary shown as trustees remuneration includes an amount of £51,309 paid to Ben Tarbuck in respect of services as Senior Leader of the Church. Ben was appointed as a trustee on 18th May 2022.

**24. ULTIMATE CONTROLLING PARTY**

The company is limited by guarantee and therefore is controlled by the board of trustees.

## WAY CHURCH

DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
for the Year Ended 31 December 2022

	2022 £	2021 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Investment income</b>		
Deposit account interest	63	20
<b>Charitable activities</b>		
Offerings and donations	488,658	462,559
Gift Aid	62,847	73,751
Fundraising events	5,171	5,782
Coffee shop income	204,208	94,361
Grants	-	15,000
Miscellaneous income	10,592	2,588
Commercial letting	47,177	46,792
Concerts	44,900	10,905
Conferencing	116,100	35,564
Arena (new build hire)	162,114	43,342
	<u>1,141,767</u>	<u>790,644</u>
<b>Other income</b>		
Gov't COVID assistance	<u>6,000</u>	<u>68,487</u>
<b>Total incoming resources</b>	<u>1,147,830</u>	<u>859,151</u>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Trustees' salaries	66,077	65,853
Trustees' social security	5,237	-
Trustees' pension contributions	1,161	-
Wages	430,902	267,451
Social security	19,328	8,844
Pensions	4,772	3,622
Rates and water	7,291	3,074
Insurance	11,357	15,567
Light and heat	55,851	35,209
Telephone	5,993	6,748
Postage and stationery	627	704
Advertising	790	344
Sundries	5,772	3,206
Conferencing, Arena Hire & Concert expenses	118,369	25,979
Ministry expenses	115,456	79,640
Postcode costs	75,225	32,701
CAP costs / resources	-	1,750
IT, software etc	5,969	122
Licence costs	-	649
Repairs & renewals & cleaning	36,776	26,400
Carried forward	966,953	577,863



**WAY CHURCH****DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**for the Year Ended 31 December 2022**

	2022 £	2021 £
<b>Charitable activities</b>		
Brought forward	966,953	577,863
Travel / ent / conferencing	6,663	4,202
Motor expenses	2,170	974
Bad debt provision	-	793
Depreciation of tangible fixed assets	39,693	32,274
Loss on sale of tangible fixed assets	518	1,801
Bank interest	2	-
Loan	59,154	42,667
Bank charges	3,939	2,884
Hire purchase	<u>4,091</u>	<u>7,613</u>
	1,083,183	671,071
<b>Support costs</b>		
<b>Governance costs</b>		
Auditors' remuneration	4,856	4,739
Professional fees	<u>20,582</u>	<u>18,145</u>
	<u>25,438</u>	<u>22,884</u>
Total resources expended	<u>1,108,621</u>	<u>693,955</u>
<b>Net income</b>	<u><u>39,209</u></u>	<u><u>165,196</u></u>