



GRACE CHURCH TRURO  
Report and Financial Statements  
Year ended 31 March 2023

Company Number: 07328613

# GRACE CHURCH TRURO

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023

### DIRECTORS' REPORT

The directors present their report and the unaudited financial statements for the year ended 31 March 2023.

The financial statements comply with the Statement of Recommended Practice: Accounting and Reporting by 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 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

### OBJECTIVES, ACTIVITIES AND PUBLIC BENEFIT

The main areas of charitable activity of Grace Church Truro are to advance the Christian faith and the provision of relief, education and assistance for persons in conditions of need, hardship or distress. In order to achieve this, the objects of the company are as follows:

- to advance the Christian faith by such means as the Company shall determine from time to time.
- to relieve persons who are in conditions of need, hardship or distress as a result of local or international disaster, or by reason of their social, medical or economic circumstances.
- to advance education in family life, in marriage and family relationships, in particular, but not exclusively, by the organisation of courses for the teaching of skills and parenthood.
- to advance Christian religious education and training.

The main activities undertaken in relation to the Charity's purposes are:

- **Pastoral care & gifts to those in need:** By this we simply mean "looking after people". Whether this is through organising our network of community groups (midweek smaller groups), equipping through teaching or direct intervention with individuals through either personal or financial resources our aim is to build up and serve people to live life to the fullest.
- **Sunday meetings & related activity:** Gathering together is an expression of the friendship that we have as part of the Christian faith. It is also a means by which people who have never experienced the Christian life can be introduced to it and be helped to take next steps to follow Jesus should they so wish. Due to the Covid-19 pandemic, physically meeting together was not possible for much of this year, however remote alternatives were put in place.
- **Outreach & community projects:** An imperative of the Christian faith is to reach out to those who don't know Jesus. We believe that there is good news to be shared. In this area we are seeking not only to organise and equip but in addition explore ways in which we can make a material difference to the lives of the wider community around us. We recognise this is a key area for growth.

# **GRACE CHURCH TRURO**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023**

### **Objectives and Activities cont**

When planning our activities for the year, the Directors and Leadership of the charity have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. The review of activities in this report reflects how we have implemented this through a range of activities which we consider to be in line with both this guidance and our objectives.

Grace Church Truro is a dynamic, growing church with a vision to bring help not just to its members but also the local area, Cornwall and the UK. The directors recognise, and are sincerely grateful for, the volunteers who contribute so much to all that happens in the life of the church. Every week up to 50 volunteers are active in the Church to build community, help those in need and help organise gatherings to come together and worship Jesus Christ.

### **REVIEW OF THE YEAR'S ACTIVITIES**

#### **Staff**

Staffing within the year ending 31<sup>st</sup> March 2022 remained stable. Matt Leach and Andrew Sampson remained on staff for 5 days per week; with Rachel Bennetts working 1.5 days per week.

#### **Church family**

Alongside introducing people to the Christian faith, a principle aim of Grace Church is seeing people equipped "for works of service". In other words, to play their part in society as a whole through their paid work, their leisure, their relationships – in fact, their whole life!

All are welcome to attend our regular Sunday services, with those also being broadcast on Zoom for those unable to attend in person. As well as Sunday meetings, church members meet midweek in community groups where the day-to-day life of the church is worked out. These groups are 'open' communities where anyone can belong and also begin to outwork the vision and values of the church in every aspect of their lives. We place our prime emphasis on discipleship and seek to 'learn from the master', Jesus.

Grace Church continues to enjoy a close relationship with our wider family of churches, Advance. As part of this, Andrew Sampson continues to hold a role on the national leadership team for Advance UK, as well as continuing to focus Advance churches across Devon & Cornwall. We see this as an exciting outworking of our vision to be a church that functions as a sending and resourcing base for other churches in the region.

# **GRACE CHURCH TRURO**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023**

### **Living with Vision**

At various points in the life of the church, the Elders cast a vision to the Church. Describing a vision as 'a compelling picture of what the future might be like', Grace Church has embarked on praying for and seeking God's work in a number of areas.

This continually needs prayer. The Church continued to prioritise gathering together to pray with organised meetings each month in the evening and daytime, and weekly occasions on a Sunday morning. Twice a year, the church gathers for a week of prayer across the city.

Activities throughout the year in line with this vision are set out below:

- **Lives changed by the gospel**

Each of our Sunday morning preaching series throughout the year aimed to connect the Christian faith to everyday life as well as being an opportunity for enquirers to find out more.

The elders continued to gather with our community group leaders remotely on a bi-termly basis, for evenings of training and envisioning.

Our childrens work continues alongside our main meetings, and our childrens workers continue to cater to the needs of the children amongst us, whether in person or online.

- **Connecting our friends with the gospel**

We are focused on encouraging every member of the church to see themselves on the missionary frontline and share the gospel with others as they have opportunity.

Our Christmas carol service was celebrated, with many members of the community not normally associated with the church being able to join with us to celebrate the festive season.

- **Job Club: turning around material prospects**

We continued supporting the Job Club in partnership with Christians Against Poverty (CAP) working primarily (but not exclusively) with those who have been helped through the CAP debt advice service.

- **Working with other churches**

We believe in the biblical principle of partnership and are committed to partnering with other like-minded churches where we can.

We are an active member of Churches Together in Truro, which is the main church ecumenical body in the city and part of Churches Together in Britain and Ireland. Every Churches Together executive meeting had at least one representative from Grace Church and Andrew Sampson attended the monthly Truro ministers' prayer meetings hosted by the Methodist Church.

Grace Church is also a partner church of Advance, an international movement of churches that exists to advance the gospel through planting and strengthening churches.

# **GRACE CHURCH TRURO**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023**

- **Expressing God's generosity**

Over the year the charity has made several gifts to other charitable causes to directly pursue its objectives to pursue the Christian faith and of the provision of relief, education and assistance for persons in conditions of need, hardship or distress.

### **Financial Review**

#### **Incoming resources**

Total incoming resources for the year ending 31 March 2023 were £197,350. This included donations and gift aid totaling £197,233 from church members, the principal source of funds for the charity.

#### **Resourced expended**

Total resources expended were £202,599.

#### **Funds and Balance Sheet**

Total unrestricted funds are £94,024 (of which £43,929 is undesignated) and restricted funds are £36,746 at the year end.

#### **Reserves policy**

The directors review the charity's reserves policy regularly in the light of Charity Commission guidance. There are three categories of reserves held.

General funds are undesignated.

Designated funds arise from the setting aside of some general giving against the identified needs in line with the Charity's objectives:

- To maintain a fund with which to be able to assist members of the church in need
- To maintain an operational costs contingency
- To set aside 10% of unrestricted income each year to distribute as gifts to other charitable causes to directly pursue the charity's objectives to pursue the Christian faith and of the provision of relief, education and assistance for persons in conditions of need, hardship or distress.

Restricted funds arise where gifts are received for specific purposes. Expenditure is distributed in line with these requirements.

# **GRACE CHURCH TRURO**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023**

### **Investment policy**

In keeping with the reserves policy, funds are maintained to meet foreseeable recurring expenditure. The Charity does not hold substantial investments, nor does it judge it appropriate to do so.

In order to achieve slightly higher interest rates than those associated with the charity's current account, as well as distribute the funds across different accounts, standard deposit accounts and fixed-rate deposit (or bonds) of six or 12 month periods may be used to maximise interest whilst keeping all funds in cash. The choice of such accounts is aimed at maximising interest whilst maintaining the necessary degree of access.

Consideration is also given to ethical and environmental issues in choosing investment institutions.

### **Internal control and risk management**

The directors have overall responsibility for Grace Church Truro's system of internal control. Such a system can provide only reasonable and not absolute assurance against errors or frauds. There is a clear delegation of the directors' authority through the Eldership to the rest of the church.

Grace Church operates a planning and budgeting system with an annual budget approved by the board of directors. Significant changes are subject to specific approval. A financial reporting system compares results with the budget on a quarterly basis.

The directors are satisfied that systems are in place to monitor, manage and mitigate Grace Church Truro's exposure to major risks. A risk register has been created to help track and manage the most significant risks that could impact the charity. Each risk is reviewed at least once a year by a subcommittee of the directors. The directors have put in place controls to protect against the identified risks and where the risk level is deemed to be unacceptable, additional controls are being implemented. Risk management is a dynamic process and the directors ensure that new risks are addressed as they arise.

The directors recognise that the nature of some of the charity's work requires active acceptance and management of some risks when undertaking activities to achieve the objectives of the charity.

# **GRACE CHURCH TRURO**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023**

### **Structure, Governance and Management**

Grace Church Truro was incorporated on 28 July 2010 as a company limited by guarantee and registered as a charity on 29 September 2010.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The directors, who meet at least four times a year, are responsible for ultimate strategic decisions, recognising the oversight of the Church rests with the Elders. The directors are regarded as the trustees of the charity for the purpose of the Charities Act 1993.

Directors are appointed at the Annual General Meeting. The directors may also appoint a director to serve until the next Annual General Meeting, at which time he or she would cease to hold office but would be eligible for election.

The directors monitor finance, risk management, human resource management, facilities management, health and safety and safeguarding.

The Eldership of the Church oversees the achievement of the objectives of the charity, day-to-day operational decisions and the co-ordination and direction of Grace Church Truro's work. Progress is monitored regularly by the directors.

The directors are members of the church and bring experience and expertise in business, accounting, and leadership and as trustees in previous churches. Training is provided to board members as required.

Using information from Advice for the Voluntary Sector (AfVS), we have developed an induction checklist that to ensure that new directors are given access to all necessary information to fully understand the role and responsibilities of being a Trustee. The checklist also covers the administrative records that need to be updated when a new person is appointed.

# GRACE CHURCH TRURO

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023

### Reference and Administrative details

<b>Charity name</b>	Grace Church Truro
<b>Registered charity number</b>	1138212
<b>Charity's principal address and Registered Office</b>	5 Grenville Road Truro TR1 3TJ

### Trustee & Directors

Matthew Leach  
Chris Ward (Resigned – 12/09/2023)  
Paul Williams  
Talan Archbold  
Judy Pyke  
Robert Gilliland  
Benjamin Mumford (Resigned – 16/05/2023)  
Kathryn Nichols  
Kerry Doyle (Appointed – 05/12/2023)

<b>Elders</b>	Andrew Sampson Matthew Leach Benjamin Sewell John Peters
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<b>Registered Company Number</b>	07328613
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<b>Bankers</b>	National Westminster Bank 2-4 Nicholas Street Truro TR1 2RN  Stewardship Services (UKET) Ltd 1 Lamb's Passage London EC1Y 8AB  CAF (Scottish Widows Bank plc) 67 Morrison Street Edinburgh EH3 8YJ
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<b>Website</b>	<a href="http://www.gracetruro.org">www.gracetruro.org</a>
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**GRACE CHURCH TRURO**  
**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023**

The directors declare that they have approved the report above.

Signed on behalf of the charity's directors:

Full names: Talan Archbold



Position: Treasurer

Matt Leach



Trustee

Date: 23/3/24

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023  
INCOME AND EXPENDITURE ACCOUNT

	Note	Unrestricted funds £	Restricted income funds £	2023 Total £	2022 Total £
<b>Income and endowments from:</b>	3				
Donations		153,819	43,414	<b>197,233</b>	153,292
Charitable activities		-	-	-	-
Investments		17	-	<b>17</b>	68
Government grants		-	-	-	-
Other		100	-	<b>100</b>	-
<b>Total</b>		<b>153,936</b>	<b>43,414</b>	<b>197,350</b>	<b>153,360</b>
<b>Expenditure on:</b>	4				
Charitable activities		153,915	48,684	<b>202,599</b>	152,111
<b>Total</b>		<b>153,915</b>	<b>48,684</b>	<b>202,599</b>	<b>152,111</b>
<b>Net income/(expenditure)</b>		21	(5,270)	<b>(5,249)</b>	1,249
<b>Transfers between funds</b>		-	-	-	-
<b>Net movement in funds</b>		21	(5,270)	<b>(5,249)</b>	1,249
<b>Reconciliation of funds:</b>					
Total funds brought forward		94,003	42,016	<b>136,019</b>	134,770
<b>Total funds carried forward</b>	13	<b>94,024</b>	<b>36,746</b>	<b>130,770</b>	<b>136,019</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derives from continuing activities.

# GRACE CHURCH TRURO - 07328613

## BALANCE SHEET AS AT 31 MARCH 2023

	Note	Unrestricted funds £	Restricted income funds £	2023 Total £	2022 Total £
Fixed assets					
Tangible assets	8	10,732	-	<b>10,732</b>	2,645
<b>Total Fixed Assets</b>		<b>10,732</b>	<b>-</b>	<b>10,732</b>	2,645
Current assets					
Debtors	9	53,975	7,197	<b>61,172</b>	53,914
Cash at bank and in hand	10	39,414	29,549	<b>68,963</b>	84,637
<b>Total Current Assets</b>		<b>93,389</b>	<b>36,746</b>	<b>130,135</b>	138,551
Creditors: amounts falling due within one year	11	(10,096)	-	<b>(10,096)</b>	(5,177)
Net current assets		83,293	36,746	<b>120,039</b>	133,374
<b>Total net assets</b>		<b>94,024</b>	<b>36,746</b>	<b>130,770</b>	136,019
Funds of the Charity					
Restricted income funds	13	-	36,746	<b>36,746</b>	42,016
Unrestricted funds	13	94,024	-	<b>94,024</b>	94,003
<b>Total charity funds</b>		<b>94,024</b>	<b>36,746</b>	<b>130,770</b>	136,019

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

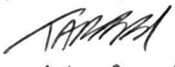
The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.


The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 13 to 29 form part of these accounts

Approved by the directors, and signed on their behalf by, and authorised for issue on 23/03/24

Mr T Archbold  Treasurer

Mr M Leach  Trustee

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 Total £	2022 Total £
<b>Cash flows from operating activities:</b>			
Net cash provided by (used in) operating activities	16	<u>(3,892)</u>	<u>(17,836)</u>
<b>Cash flows from investing activities:</b>			
Interest received on cash deposits		17	68
Purchase of equipment		<u>(11,799)</u>	<u>(2,733)</u>
Net cash provided by (used in) investing activities		<u>(11,782)</u>	<u>(2,665)</u>
Change in cash and cash equivalents in the reporting period		(15,674)	(20,501)
Cash and cash equivalents at the beginning of the reporting period		84,637	105,136
<b>Cash and cash equivalents at the end of the reporting period</b>	10	<u>68,963</u>	<u>84,637</u>

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

### **Note 1                      Basis of preparation**

#### **1.1 Basis of accounting**

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

#### **1.2 Going concern**

The directors consider that there is no significant doubt on the charity's ability to continue as a going concern.

#### **1.3 Change of accounting policy**

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2.

#### **1.4 Changes to accounting estimates**

No changes to accounting estimates have occurred in the reporting period (3.46 FRS 102 SORP).

#### **1.5 Material prior year errors**

No material prior year error have been identified in the reporting period (3.47 FRS 102 SORP).

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### **Note 2                      Accounting policies**

#### **2.1 INCOME**

**Recognition of income**      These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

**Offsetting**                      There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

**Grants and donations**      Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

**Tax reclaims on donations and gifts**      Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**Support costs**                      The charity has incurred expenditure on support costs.

**Volunteer help**                      Given the absence of a reliable measurement basis, the value of any voluntary help received is not included in the accounts. The nature and scale of the role played by general volunteers is described in the trustees' annual report.

**Income from interest**                      This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

#### **2.2 EXPENDITURE AND LIABILITIES**

**Liability recognition**                      Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

**Governance and support costs**                      Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg staff costs by the time spent and other costs by their usage.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### **Note 2                      Accounting policies**

<b>Pension cost</b>	The charity operates a defined contribution pension scheme. Contributions payable to the pension scheme are charged to the Income and Expenditure account in the period to which they relate.
<b>Redundancy cost</b>	The charity made no redundancy payments during the reporting period.
<b>Deferred income</b>	No material item of deferred income has been included in the accounts.
<b>Creditors</b>	The charity has creditors which are measured at settlement amounts less any trade discounts.
<b>Provisions for liabilities</b>	A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.
<b>Basic financial instruments</b>	The charity accounts for basic financial instruments on initial recognition as per paragraph 10.7 FRS 102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS 102 SORP.

### **2.3 ASSETS**

<b>Tangible fixed assets for use by charity</b>	<p>These are capitalised if they can be used for more than one year, and cost at least £100.</p> <p>They are valued at cost.</p> <p>The depreciation rates and methods used are disclosed in note 9.</p>
<b>Debtors</b>	Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.
<b>Current asset investments</b>	<p>The charity has investments which it holds for resale or pending their sale and cash and cash equivalents with a maturity date less than one year. These include cash on deposit and cash equivalents with a maturity date of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due.</p> <p>They are valued at fair value except where they qualify as basic financial instruments.</p>
<b>Financial instruments</b>	The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Note 3 Analysis of income

	Analysis	Unrestricted funds £	Restricted income funds £	<b>2023 Total £</b>	2022 Total £
<b>Donations and legacies:</b>	Donations and gifts	135,919	41,262	<b>177,181</b>	134,469
	Gift Aid	17,900	2,152	<b>20,052</b>	18,823
	<b>Total</b>	<b>153,819</b>	<b>43,414</b>	<b>197,233</b>	153,292
<b>Income from investments:</b>	Interest income	17	-	<b>17</b>	68
	<b>Total</b>	<b>17</b>	<b>-</b>	<b>17</b>	68
<b>Other:</b>	Gain on disposal of a tangible fixed asset held for charity's own use	100	-	100	-
	Government Grant	-	-	-	-
	<b>Total</b>	<b>100</b>	<b>-</b>	<b>100</b>	-
<b>TOTAL INCOME</b>		<b>153,936</b>	<b>43,414</b>	<b>197,350</b>	153,360

## Other information:

**All income in the prior year was unrestricted except for:** £23,930 Donations and £2,143 Gift Aid



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Note 4 Analysis of expenditure

	Activity or programme	Unrestricted funds	Restricted income funds	2023 Total	2022 Total
		£	£	£	£
<b>Expenditure on charitable activities</b>	Pastoral Care & gifts to those in need	63,068	32,015	<b>95,083</b>	66,581
	Sunday Meetings & related activity	45,302	8,420	<b>53,722</b>	34,983
	Outreach & community projects	45,545	8,249	<b>53,794</b>	50,548
<b>TOTAL EXPENDITURE</b>		153,915	48,684	<b>202,599</b>	152,111

## Analysis of expenditure on charitable activities

Activity or programme	Activities undertaken directly	Support Costs	2023 Total	2022 Total
	£	£	£	£
Pastoral Care & gifts to those in need	33,010	62,073	<b>95,083</b>	66,581
Sunday Meetings & related activity	30,376	23,346	<b>53,722</b>	34,983
Outreach & community projects	30,448	23,346	<b>53,794</b>	50,548
<b>Total</b>	93,834	108,765	<b>202,599</b>	152,111

Prior year expenditure on charitable activities can be analysed as follows:

Activity or programme	Activities undertaken directly	Support Costs	2022 Total
	£	£	£
Pastoral Care & gifts to those in need	4,764	61,816	66,580
Sunday Meetings & related activity	13,018	21,965	34,983
Outreach & community projects	24,020	26,528	50,548
	41,802	110,309	152,111

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Note 5 Support Costs

Support cost	Pastoral £	Sunday £	Outreach £	2023 Total £	Basis of allocation
Governance	408	408	408	1,224	Equally
Staff Costs	59,115	21,936	21,936	102,987	Staff Hours
Office Expenses	2,550	1,002	1,002	4,554	Staff Hours
<b>Total</b>	<b>62,073</b>	<b>23,346</b>	<b>23,346</b>	<b>108,765</b>	

Support costs are allocated primarily on the basis of staff time, as this is the best indication of where resources are expended. Staff costs are apportioned directly: each employee's costs according to the staff hours spent on each activity across an average week. Office Expenses are apportioned generally: according to total number of staff hours spent on each activity. Governance costs are allocated equally across the three activities.

## Note 6 Details of certain items of expenditure

Fees for examination of the accounts	2023	2022
	£	£
Independent examiner's fees	300	300
Tax advisory fees	-	-
Other fees paid to the independent examiner	-	-

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Note 6 Paid employees

### 6.1 Staff Costs

	2023	2022
	£	£
Salaries and wages	89,710	94,874
Social security costs	7,005	4,667
Pension costs (defined contribution scheme)	6,272	6,714
Other employee benefits	-	840
<b>Total staff costs</b>	<b>102,987</b>	<b>107,095</b>

Expenditure on staff working for the charity whose contracts are with and are paid by a related party:

£nil (2022: £nil)

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

Total amount paid to key management personnel (includes trustees and senior management) for their services to the charity:

£87,011 (2022: £87,906)

### 6.2 Average head count in the year

	2023	2022
	Number	Number
Fundraising	-	-
Charitable Activities	4	4
Governance	-	-
Other	-	-
<b>Total</b>	<b>4</b>	<b>4</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**Note 7                      Defined contribution pension scheme**

Amount of contributions recognised in the SOFA as an expense: £6,272 (2022: £6,714).

Grace Church Truro contributes 7% of employee's salaries to the scheme.

£6,272 of pension expenses are allocated to unrestricted funds, as the majority of staff resources were expended on unrestricted fund activities during the year. £nil was allocated to the Falmouth Church Plant restricted fund to represent the staff time spent on this project.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Note 8 Tangible fixed assets

### 8.1 Cost or valuation

	Fixtures & Fittings	Computer Equipment	Total
	£	£	£
At 1 April 2022	4,435	4,666	9,101
Additions	-	11,799	11,799
Disposals	-	-	-
<b>At 31 March 2023</b>	<b>4,435</b>	<b>16,465</b>	<b>20,900</b>

### 8.2 Depreciation and impairments

	RB	SL	Total
Straight Line ("SL") or Reducing Balance ("RB")			
<b>Rate</b>	25%	3 years	£
At 1 April 2022	3,975	2,480	6,455
Disposals	-	-	-
Depreciation	136	3,577	3,713
<b>At 31 March 2023</b>	<b>4,111</b>	<b>6,057</b>	<b>10,168</b>

### 8.3 Net book value

<b>At 31 March 2023</b>	324	10,408	<b>10,732</b>
At 31 March 2022	460	2,185	2,645

NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

**Note 9 Debtors and prepayments**

	<b>2023</b>	2022
	<b>£</b>	£
Prepayments and accrued income	<b>61,172</b>	53,914
	<b>61,172</b>	53,914

**Note 10 Cash at bank and in hand**

	<b>2023</b>	2022
	<b>£</b>	£
Short term deposits	<b>20,359</b>	20,354
Cash at bank and on hand	<b>48,604</b>	64,283
	<b>68,963</b>	84,637

Cash at bank and in hand is held to meet short-term cash commitments as they fall due, rather than for investment purposes.

All short term deposits at the year end were held in the form of cash deposits.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Note 11 Creditors and accruals

	Amounts falling due within one year	
	2023	2022
	£	£
Trade creditors	-	-
Accruals and deferred income	600	600
Pension	986	637
PAYE	5,528	1,032
Wages	-	-
Credit card	2,982	2,908
	<b>10,096</b>	<b>5,177</b>

## Note 12 Fair value of assets and liabilities

The Directors do not deem the Charity to be exposed to any material credit risk (the risk of incurring a loss due to a debtor not paying what is owed) , liquidity risk (the risk of not being able to meet short term financial demands) or market risk (the risk that the value of an investment will fall due to changes in the market) arising from financial instruments to which the charity is exposed at the end of the reporting period.

There is no change in the fair value of basic financial instruments (debtors, creditors, investments (see section 11, FRS 102 SORP)) measured at fair value through the SoFA that is attributable to changes in credit risk.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

Note 13 Charity funds

Details of material funds held and movements during the year ending 31 March 2023

\* Key: R - restricted income funds, including special trusts, of the charity; and U - unrestricted funds

Fund names	Type * Purpose and Restrictions	Fund balances brought forward 1 April 2022 £	Income £	Expenditure £	Transfers £	Fund balances carried forward 31 March 2023 £
General Fund	UR General purpose	42,367	153,936	(136,993)	(15,381)	43,929
Designated - In Need	UR Set aside for Pastoral Needs	11,979	-	(7,761)	-	4,218
Designated - Operation Costs	UR Three month operational contingency	18,000	-	-	-	18,000
Designated - Falmouth Church Plant	UR Set aside proportion of giving for Falmouth Church Plant	15,775	-	-	-	15,775
Designated - Giving	UR Set aside 10% of unrestricted income in year. To be distributed as gifts to other charitable causes in line with Charity's Objectives	5,882	-	(9,161)	15,381	12,102
Restricted - Church Planting	R Donations made specifically to facilitate future church planting activities	3,750	-	-	-	3,750
Restricted - Falmouth Church Plant	R Donations made specifically for Church Planting endeavours in Falmouth and related expenditure	19,019	11,524	(11,925)	-	18,618
Restricted - Impact	R Donations made to annual Impact Training Scheme (practical & theological training internship programme) and related expenditure	4,149	-	-	-	4,149
Restricted - In Need	R Donations to meet specific pastoral needs	743	25,447	(26,190)	-	-
Restricted - Building	R Donations made to fund future buildings	50	50	-	-	100
Restricted - Social Action	R Donations made to fund social action work	7,028	725	(651)	-	7,102
Restricted - Job Club	R Funding received to establish Job Club and related expenditure.	1,000	-	-	-	1,000
Restricted - Ukraine	R Donations made to assist those in need in Ukraine	4,500	794	(5,294)	-	-
Restricted - Porthtowan	R Donations made towards work in Porthtowan	1,365	450	(27)	-	1,788
Restricted - Website development	R Funding received from the Templeton Foundation for the development of Grace Church website	239	-	-	-	239
Restricted - Newday	R Donations made specifically to help fund youth event "Newday" and related expenditure	173	4,424	(4,597)	-	-
Total Funds		136,019	197,350	(202,599)	-	130,770



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Note 14 Charity funds (cont)

### 14.1 Transfers between funds

	Reason for transfer	Amount
Between unrestricted and restricted funds	To meet any shortfall between donations received for a specific purpose, and resources actually expended on that purpose.	<b>2023: £0</b> 2022: £0

### 14.2 Designated funds

Planned use	Purpose of the designation	Amount
Individuals in Need	Funds set aside each year from General Funds against pastoral needs within the Church to be administered as the leaders' discretion. Any money undistributed at year end held in Designated Fund for future needs.	<b>2023: £4,218</b> 2022: £11,979
Operational Costs	Three month operational contingent fund in the event of unexpected loss in income	<b>2023: £18,000</b> 2022: £18,000
Church Planting	To help future Church Planting endeavours	<b>2023: £0</b> 2022: £0
Falmouth Church Plant	This fund sets aside a proportion of general donations to help fund the Falmouth Church Plant	<b>2023: £15,775</b> 2022: £15,775
Giving	This fund sets aside 10% of unrestricted income each year which is distributed as gifts to other charitable causes to directly pursue the charity's objectives to pursue the Christian faith and of the provision of relief, education and assistance for persons in conditions of need, hardship or distress.	<b>2023: £12,102</b> 2022: £5,882

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Note 15 Transactions with trustees and related parties

### 15.1 Trustee remuneration and benefits

In the period the charity has paid trustees remuneration and benefits.

		Amounts paid or benefit value			
				2023	2022
		Remuneration	Pension contribution	TOTAL	TOTAL
Name of trustee	Legal authority	£	£	£	£
Matthew Leach	Articles of Association	38,485	2,881	41,366	42,098

Payment was made entirely for services given under the terms of his employment contract as Elder/Leader of the Church, and not for his role as Trustee. All trustees are volunteers who give their time and expertise without charge.

### 15.2 Trustees' expenses

In the period no trustee expenses have been incurred.

Type of expenses reimbursed	2023	2022
	£	£
Subsistence	-	-
Office Expenditure	-	-
Training	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

Number of trustees reimbursed for expenses or who had expenses paid by the charity: 0  
(2022: 0)

### 15.3 Transactions with related parties

The total amount of donations received in the period without conditions from all Trustees was £18,060 (2022: £18,060). There were no outstanding balances with related parties as at 31 March 2023 (2022: £nil).

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Note 16 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023	2022
	£	£
Net (expenditure) for the reporting period	(5,249)	1,249
Adjustments for:		
Depreciation charges	3,713	972
Interest received on cash deposits	(17)	(68)
(Increase) / decrease in debtors	(7,258)	(19,072)
Increase / (decrease) in creditors	4,919	(917)
Net cash provided by (used in) operating activities	<u>(3,892)</u>	<u>(17,836)</u>

## Note 17 Charitable Company Status

The charity does not have a share capital as the liabilities of its members are limited to the guarantee up to a maximum of £1 each.



Section A

Independent Examiner's Report

Report to the trustees

GRACE CHURCH TRURO

On accounts for the year  
ended

31<sup>st</sup> MARCH 2023

Charity no  
(if any)

1138212

Set out on pages

2 - 26

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended **31 / 03 / 2023**.

Responsibilities and  
basis of report

As the charity's trustees, 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 Trust'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

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

Signed:

Date:

23/03/2024

Name:

REBECCA THOMAS

Relevant professional  
qualification(s) or body  
(if any):

FCCA

Address:

82 TREVERBYN ROAD, FALMOUTH, CORNWALL  
TR11 5BS

**Section B**

**Disclosure**

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.