

REGISTERED COMPANY NUMBER: 07501715 (England and Wales)
REGISTERED CHARITY NUMBER: 1140748

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2023
for
GRACE COMMUNITY CHURCH PORTHCAWL

Martin Waterworth Limited
Chartered Accountants
Bronwylfa
Llangunnor Road
Carmarthen
Dyfed
SA31 2PB

GRACE COMMUNITY CHURCH PORTHCAWL

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for the year ended 31 March 2023

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GRACE COMMUNITY CHURCH PORTHCAWL

Report of the Trustees **for the year ended 31 March 2023**

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 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's principal activities are for the public benefit: to advance the Christian faith and to fulfil such other purposes that are exclusively charitable. The main objects and activities for the period were the provision of public worship, the provision of human resources and services to the community and the alleviation of hardship through various means, as well as support for church planting.

Public benefit

The activities undertaken are monitored closely by staff and trustees to ensure that the recipients of the charity's services and facilities have an experience in keeping with its Christian aims and ethos.

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and planning future activities.

Volunteers

Our thanks go out to all those who have volunteered their time and services to help ensure that Grace Community Church meets its aims and objectives.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Throughout the past year the charity has continued to advance the Christian faith in Porthcawl and to provide services to the local community, including financial grants to people in Porthcawl who are undergoing hardship, and through the continued provision of services like Foodshare, Drop A Tin, Ukrainian Refugee Cafe, Mums and Toddlers and Community Cafe.

The charity has continued to support church planting, funded by specific donations and various grants.

The charity continues to have a strong involvement with schools, care homes and other community-based organisations within Porthcawl.

The organisation continues to support the work of several individuals worldwide who seek to advance the Christian faith in different parts of the world.

A more detailed overview of the Charity is available on the Charity's website.

GRACE COMMUNITY CHURCH PORTHCAWL

Report of the Trustees **for the year ended 31 March 2023**

FINANCIAL REVIEW

Financial position

Out of the grant of £27,520 from World Challenge received in the year to 31 March 2020, £7000 was used in the same year to assist a church plant in St Brides Minor. No further funds have been spent, and there is balance of funds of £20,520 to use in future years. This has been treated as a restricted fund.

The church plant in St Brides Minor has been treated as a restricted fund, and has built up its net funds from £23,040 to £29,808 during the year. Support has come by way of donations and grants.

Regarding the Charity's unrestricted activities, income was higher than its expenditure for the year by £6,639.

We continue to segment 13% of our income to support others whose aims and values align with those of our Charity. Amounts set aside and not yet spent are shown as separate unrestricted reserves.

Costs are continuously kept to a minimum, focusing resources on human resources and on community-orientated work and embracing as much voluntary support as possible.

Principal funding sources

Funding is received mainly from supporting individuals and related gift aid claims, supplemented by grants (see note 2).

Reserves policy

Reserves are held sufficiently to uphold the objects of the charity without putting it in financial jeopardy. Out of the main general reserves a percentage is set aside for Funds for Outward Giving for overseas projects, UK Support including evangelism and for Pastoral care and the Needy. It is the intention that all of these separate funds will be paid out for these causes on Christian grounds. See note 11 for movements on these funds and how spent.

Any restricted funds are held in line with the conditions attached to its particular sources of funding until fully expended.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a Christian Charity registered on 9th March 2011. The Charity is an incorporated company (registered 21st January, 2011) and is governed by Memorandum and Articles of Association.

Recruitment and appointment of new trustees

Thomas Clewer, Neil Matthews, Dr Joel Morris, Mrs Christine Stables and Russell Stables are current trustees. Trustees are appointed for ongoing terms, with new trustees to be appointed at a Special Meeting of trustees.

A team of elders have been established to ensure that the charity's aims and needs are identified, and reflected through to the body of trustees.

Organisational structure

The organisational structure of Grace Community Church is comprised of two parts. Firstly a team of elders, responsible for the overall vision, leadership, oversight and direction of the church including all pastoral and church leadership issues. Secondly a body of trustees who bear responsibility concerning all issues pertaining to financial policy, employment matters, good stewardship, and who seek to ensure that the charity is abiding by best practice as defined by the Charity Commission. These two elements of the organisation structure of Grace work together on many of these areas.

Induction and training of new trustees

The trustees are familiar with the practical work of the Charity as they are updated on current progress in achieving the charities aims, financial reports and other information. All trustees, having been trustees upon inception, are more than familiar within the context in which the Charity operates.

GRACE COMMUNITY CHURCH PORTHCAWL

Report of the Trustees **for the year ended 31 March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07501715 (England and Wales)

Registered Charity number

1140748

Registered office

25 Hilary Way
Nottage
Porthcawl
CF36 3SE

Trustees

N Matthews
T J E Clewer
Dr J Morris
Mrs C E Stables
R Stables

Company Secretary

Mrs A Milligan

Independent Examiner

Martin Waterworth Limited
Chartered Accountants
Bronwyf
Llangunnor Road
Carmarthen
Dyfed
SA31 2PB

Approved by order of the board of trustees on 25 September 2023 and signed on its behalf by:

T J E Clewer - Trustee

**Independent Examiner's Report to the Trustees of
Grace Community Church Porthcawl**

Independent examiner's report to the trustees of Grace Community Church Porthcawl ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

Martin Waterworth FCA

Martin Waterworth Limited
Chartered Accountants
Bronwylfa
Llangunnor Road
Carmarthen
Dyfed
SA31 2PB

25 September 2023

GRACE COMMUNITY CHURCH PORTHCAWL

Statement of Financial Activities
for the year ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	99,430	35,710	135,140	107,339
Investment income	3	834	-	834	593
Total		<u>100,264</u>	<u>35,710</u>	<u>135,974</u>	<u>107,932</u>
EXPENDITURE ON					
Charitable activities					
Advancement of the Christian Faith		93,625	-	93,625	72,273
Church Planting		-	28,942	28,942	21,703
Total		<u>93,625</u>	<u>28,942</u>	<u>122,567</u>	<u>93,976</u>
NET INCOME		6,639	6,768	13,407	13,956
RECONCILIATION OF FUNDS					
Total funds brought forward		80,005	43,560	123,565	109,609
TOTAL FUNDS CARRIED FORWARD		<u><u>86,644</u></u>	<u><u>50,328</u></u>	<u><u>136,972</u></u>	<u><u>123,565</u></u>

The notes form part of these financial statements

GRACE COMMUNITY CHURCH PORTHCAWL

Statement of Financial Position

31 March 2023

	Notes	31.3.23 £	31.3.22 £
FIXED ASSETS			
Tangible assets	7	4,991	5,773
CURRENT ASSETS			
Debtors	8	17,000	15,919
Cash at bank and in hand		119,498	102,823
		<u>136,498</u>	<u>118,742</u>
CREDITORS			
Amounts falling due within one year	9	(4,517)	(950)
NET CURRENT ASSETS		<u>131,981</u>	<u>117,792</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		136,972	123,565
NET ASSETS		<u>136,972</u>	<u>123,565</u>
FUNDS	11		
Unrestricted funds		86,644	80,005
Restricted funds		<u>50,328</u>	<u>43,560</u>
TOTAL FUNDS		<u>136,972</u>	<u>123,565</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

GRACE COMMUNITY CHURCH PORTHCAWL

Statement of Financial Position - continued

31 March 2023

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 25 September 2023 and were signed on its behalf by:

T J E Clewer - Trustee

GRACE COMMUNITY CHURCH PORTHCAWL

Notes to the Financial Statements for the year ended 31 March 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

Fixtures and fittings - 20% on cost

Taxation

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

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Donations	82,430	11,710	94,140	82,920
Gift aid	17,000	-	17,000	12,919
Grants	-	24,000	24,000	11,500
	<u>99,430</u>	<u>35,710</u>	<u>135,140</u>	<u>107,339</u>

GRACE COMMUNITY CHURCH PORTHCAWL

Notes to the Financial Statements - continued for the year ended 31 March 2023

2. DONATIONS AND LEGACIES - continued

Grants received, included in the above, are as follows:

	31.3.23	31.3.22
	£	£
Howard Foundation	4,000	4,000
Lauderdale Trust	15,000	7,500
Church Network	5,000	-
	<u>24,000</u>	<u>11,500</u>

The grants from Howard Foundation, Lauderdale Trust and Church Network are specific funding for the Church Plant.

3. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	31.3.23 Total funds	31.3.22 Total funds
	£	£	£	£
Rents received	660	-	660	584
Deposit account interest	174	-	174	9
	<u>834</u>	<u>-</u>	<u>834</u>	<u>593</u>

4. NET INCOME/(EXPENDITURE)

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

	31.3.23	31.3.22
	£	£
Depreciation - owned assets	<u>1,685</u>	<u>1,687</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

Each of the trustees are related parties, but only T Clewer received any remuneration for his services as pastor of Grace Community Church. He received a gross salary of £31,200 and the charity contributed £2,496 for his pension arrangements.

GRACE COMMUNITY CHURCH PORTHCAWL

Notes to the Financial Statements - continued for the year ended 31 March 2023

5. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

One trustee received expenses for travel and other costs amounting to £1,506 (2022: £1,735)

6. STAFF COSTS

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

	31.3.23	31.3.22
Pastoral	1	1
Ministerial support	4	3
Administrative support	1	1
	<hr/>	<hr/>
	6	5
	<hr/>	<hr/>

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

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 April 2022	40,282
Additions	903
	<hr/>
At 31 March 2023	41,185
	<hr/>
DEPRECIATION	
At 1 April 2022	34,509
Charge for year	1,685
	<hr/>
At 31 March 2023	36,194
	<hr/>
NET BOOK VALUE	
At 31 March 2023	4,991
	<hr/>
At 31 March 2022	5,773
	<hr/>

As of August 2019 Hope Chapel has been transferred legally into the ownership of the company Grace Community Church Porthcawl (company number 07501715). No cost was incurred other than legal costs of £4,010 which have been included as expenditure on charitable activities in the financial statements for the year to 31 March 2020.

At the time of the transfer in August 2019, £150,000 was placed as an approximate value on the asset which consists of long-term leasehold land and buildings. This note highlights a valuable asset owned by the company, fully available and utilized for its operations. Without the requirement for a formal valuation, it is considered to be a fair approximation of its value at 31 March 2023 by the trustees.

GRACE COMMUNITY CHURCH PORTHCAWL

Notes to the Financial Statements - continued for the year ended 31 March 2023

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Other debtors	17,000	15,919

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Social security and other taxes	3,344	-
Other creditors	53	-
Accrued expenses	1,120	950
	4,517	950

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed assets	3,903	1,088	4,991	5,773
Current assets	87,258	49,240	136,498	118,742
Current liabilities	(4,517)	-	(4,517)	(950)
	86,644	50,328	136,972	123,565

11. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers between funds	At 31.3.23
	£	£	£	£
Unrestricted funds				
General fund	68,044	15,524	(12,304)	71,264
Outward Giving	3,968	(7,420)	6,625	3,173
UK Support	4,231	(1,080)	3,786	6,937
Pastoral and Needy	3,762	(385)	1,893	5,270
	80,005	6,639	-	86,644
Restricted funds				
Church Planting	23,040	6,768	-	29,808
World Challenge	20,520	-	-	20,520
	43,560	6,768	-	50,328
TOTAL FUNDS	123,565	13,407	-	136,972

GRACE COMMUNITY CHURCH PORTHCAWL

Notes to the Financial Statements - continued for the year ended 31 March 2023

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	100,264	(84,740)	15,524
Outward Giving	-	(7,420)	(7,420)
UK Support	-	(1,080)	(1,080)
Pastoral and Needy	-	(385)	(385)
	<hr/>	<hr/>	<hr/>
	100,264	(93,625)	6,639
Restricted funds			
Church Planting	35,710	(28,942)	6,768
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>135,974</u>	<u>(122,567)</u>	<u>13,407</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	61,408	17,378	(10,742)	68,044
Outward Giving	3,274	(5,090)	5,784	3,968
UK Support	2,006	(1,080)	3,305	4,231
Pastoral and Needy	2,109	-	1,653	3,762
	<hr/>	<hr/>	<hr/>	<hr/>
	68,797	11,208	-	80,005
Restricted funds				
Church Planting	20,292	2,748	-	23,040
World Challenge	20,520	-	-	20,520
	<hr/>	<hr/>	<hr/>	<hr/>
	40,812	2,748	-	43,560
TOTAL FUNDS	<u>109,609</u>	<u>13,956</u>	<u>-</u>	<u>123,565</u>

GRACE COMMUNITY CHURCH PORTHCAWL

Notes to the Financial Statements - continued for the year ended 31 March 2023

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	83,481	(66,103)	17,378
Outward Giving	-	(5,090)	(5,090)
UK Support	-	(1,080)	(1,080)
	<hr/>	<hr/>	<hr/>
	83,481	(72,273)	11,208
Restricted funds			
Church Planting	24,451	(21,703)	2,748
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<hr/> <hr/> 107,932	<hr/> <hr/> (93,976)	<hr/> <hr/> 13,956

Outward Giving paid out during the year to 31 March 2023 ministry gifts totalling £7,420 (2022: £5,090); UK Support paid out £1,080 (2022: £1,080) to Waleswide and the Pastoral and Needy Fund paid out gifts totalling £385 (2022: £0).

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

GRACE COMMUNITY CHURCH PORTHCAWL

Detailed Statement of Financial Activities for the year ended 31 March 2023

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	82,430	11,710	94,140	82,920
Gift aid	17,000	-	17,000	12,919
Grants	-	24,000	24,000	11,500
	<hr/> 99,430	<hr/> 35,710	<hr/> 135,140	<hr/> 107,339
Investment income				
Rents received	660	-	660	584
Deposit account interest	174	-	174	9
	<hr/> 834	<hr/> -	<hr/> 834	<hr/> 593
Total incoming resources	<hr/> 100,264	<hr/> 35,710	<hr/> 135,974	<hr/> 107,932
EXPENDITURE				
Charitable activities				
Pastor's wages	31,200	-	31,200	28,915
Pastor's pension	2,496	-	2,496	2,313
Pastor's expenses	1,545	-	1,545	1,859
Evangelism	2,051	1,634	3,685	2,298
Other ministry	27,550	22,728	50,278	35,484
Visiting ministry	150	-	150	500
Ministry giving paid from funds set aside	8,885	-	8,885	6,170
Special events	4,771	-	4,771	1,815
Non-tithe receipts	(1,327)	-	(1,327)	(230)
Hospitality	1,217	-	1,217	537
Youth work and events	916	-	916	1,387
Other pastoral and charitable support	4,091	-	4,091	300
Utilities	4,149	-	4,149	2,584
Maintenance	589	-	589	536
Legal costs	900	1,138	2,038	300
Training and development	-	248	248	2,208
Venue hire	-	2,360	2,360	1,600
Publicity	-	-	-	466
Subscriptions	610	-	610	189
Insurances	1,102	430	1,532	914
Stationery and office	124	-	124	836
Accountancy & examination	1,325	-	1,325	1,308
Carried forward	92,344	28,538	120,882	92,289

This page does not form part of the statutory financial statements

GRACE COMMUNITY CHURCH PORTHCAWL

Detailed Statement of Financial Activities
for the year ended 31 March 2023

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Charitable activities				
Brought forward	92,344	28,538	120,882	92,289
Depreciation of tangible fixed assets	1,281	404	1,685	1,687
	<hr/> 93,625	<hr/> 28,942	<hr/> 122,567	<hr/> 93,976
Total resources expended	<hr/> 93,625	<hr/> 28,942	<hr/> 122,567	<hr/> 93,976
Net income	<hr/> <hr/> 6,639	<hr/> <hr/> 6,768	<hr/> <hr/> 13,407	<hr/> <hr/> 13,956

This page does not form part of the statutory financial statements