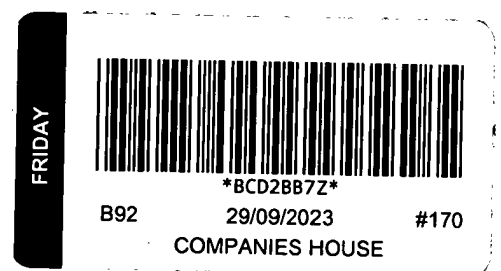


## **Amazing Grace - Teesside**

Report and Statement of Accounts  
for the Year Ended 31 December 2022

“Registrar of Companies Copy”

Company No. 07763798



## **Amazing Grace - Teesside**

### **Contents**

	<b><u>Pages</u></b>
Company information	1
Report of the Trustees	2 - 3
Statement of financial activities	4
Balance sheet	5
Notes to the accounts	6 - 11
Independent Examiner's Report	12

**Amazing Grace - Teesside**

**Company Information**

<b>Trustees</b>	Dr S Braye - Resigned 23/03/2022 Dr T Gibbons Mr A J P Braye Mr T Broughton
<b>Secretary</b>	Mrs M Braye
<b>Company Number</b>	07763798
<b>Charity Number</b>	1145379
<b>Registered Office</b>	59 Durham Road Middlesbrough TS6 9NA
<b>Bankers</b>	Barclays Bank 1 Churchill Place London E14 5HP
<b>Accountants</b>	Anderson Barrowcliff LLP 3 Kingfisher Court Bowesfield Park Stockton on Tees TS18 3EX

## **Amazing Grace - Teesside**

### **Report of The Trustees**

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 2015).

### **OBJECTIVES AND ACTIVITIES**

The Charity's objects and its principal activity is the teaching of the bible and assisting in the development of our congregation's faith. It also continues to strive towards the improvement of family and individual wellbeing and the development and monitoring of young people in the area.

### **ACHIEVEMENTS**

In 2022, the charity continued its church activities on Teesside, UK (Amazing Grace Teesside) and Tartu, Estonia (Amazing Grace Tartu), with further development of its charity shop in Middlesbrough. A lease agreement was entered into to lease a second charity shop in Redcar, with the shop opening in January 2023, costing £8,000 excluding VAT per annum, a five-year lease has been agreed to. The shops now have the use of a van to enable them to offer free collections of donations to increase income.

The church in Stockton, UK (Amazing Grace Teesside) continued to hold two services each Sunday with families and children being of particular focus. The Family Services continue to have a successful influence in encouraging families to worship, learn and have fun together. The church also moved its base from Stockton to Middlesbrough during the year to enable it to continue to offer two services each Sunday at a time when premises costs and the cost of utilities were increasing significantly. During the year the church in Tartu, Estonia (Amazing Grace Tartu) continued to grow and establish itself in its new premises in the city centre.

2022 also saw the church leaders travel on ministry trips to Sweden, Spain and Estonia which enabled further development of relationships with churches and leaders overseas. Further trips in 2023 and beyond are planned with the view to grow this area of the charity's international missionary work.

The Charity showed a deficit on unrestricted funds of £35,866 (2021: £26,631) for the year.

### **FINANCIAL REVIEW**

#### **Reserves Policy**

The aim of the Charity is to secure free reserves to the value of around £25,000 per annum that would facilitate international mission growth. At present the reserves do not reach this target and the Trustees are looking at ways of increasing reserves.

At the year end the Charity had negative free reserves (unrestricted reserves less the amount invested in fixed assets) of £62,173 (2021: £28,390).

During the year we have seen a continuation of reduced level of donations due to a smaller congregation than in previous years in the UK church, although we have seen an increase in donations in 2023. The main contributor to the deficit in unrestricted funds is due to high premises costs which led to the move from Stockton to Middlesbrough detailed above. This will save circa £39,000 per annum in service charge and insurance costs plus around £6,000 in utilities. The replacement hire costs are circa £8,500 per annum.

The significant creditor balance at the previous year end continued to be of concern and focus for the trustees. This focus led the Charity to agree and sign into a Settlement Agreement with the creditor, removing the possibility of the creditor calling in payment and allowing the Charity to focus on its objectives and the Trustees to focus on growing income. They have agreed an arrangement to pay with the main trade creditor arrears of £67,918. Payments will be made for 60 months totally £31,120 (£518.66 per month) and then the remaining outstanding balance will be written off by the supplier.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is constituted as a Company limited by guarantee, without a share capital, and is therefore governed by a Memorandum and Articles of Association. It became a registered charity on 10 January 2012.

The Charity is organised so that the Trustees meet regularly to manage the affairs of the charity. A trustee is in charge of the day to day running of the Charity.

## **APPOINTMENT OF TRUSTEES**

Mr. A. Braye, Dr. T. Gibbons and Mr. T. Broughton continue as trustees.

New trustees are approached and appointed after internal consideration and discussions against the following criteria:

- Genuine interest in the charity's objectives and activities and our areas of operation
- Has a skillset which can enhance and complement those of existing trustees
- Caring and cooperative in nature
- Completes appropriate checks from the Disclosure and Barring Service (DBS).
- Are not in breach of Trustee requirements detailed by the Charities Commission
- Are not in breach of the Trustee requirements detailed in the charity's Memorandum and Articles of Association.

## **TRUSTEES STATEMENT**

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission guidance on public benefit. The Charity satisfied the public benefit criteria through its objectives and work done in the year for families and young people.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By Order of the Trustees



Mr A Braye, Trustee

Date: 27/09/2023

**Amazing Grace - Teesside**

**Statement of Financial Activities**  
**(Including Income and Expenditure Account)**  
**for the Year Ended 31 December 2022**

		<b>(All Unrestricted)</b>	
	<b>Note</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>INCOME FROM:</b>			
Donations and Legacies	3	<b>96,920</b>	93,736
Other trading activities	4	<b>31,229</b>	30,103
Government grants	5	-	25,603
Investment income	6	<b>90</b>	41
<b>Total Income</b>		<b>128,239</b>	<b>149,483</b>
<b>EXPENDITURE ON:</b>			
Charitable activities	8	<b>164,105</b>	176,114
<b>Total Expenditure</b>		<b>164,105</b>	<b>176,114</b>
<b>Net Deficit in Funds</b>		<b>(35,866)</b>	<b>(26,631)</b>
<b>Fund Balance Brought Forward</b>		<b>(23,024)</b>	<b>3,607</b>
<b>Fund Balance Carried Forward</b>		<b>(58,890)</b>	<b>(23,024)</b>

Amazing Grace - TeessideBalance Sheet as at 31 December 2022

	Notes	2022 £	2021 £
<b>Fixed Assets</b>			
Tangible assets	10	3,283	5,366
<b>Current Assets</b>			
Debtors	11	12,252	1,102
Cash at bank and in hand		1,787	1,509
		<u>14,039</u>	<u>2,611</u>
<b>Creditors: Amounts falling due within one year</b>	12	<u>(76,212)</u>	<u>(31,001)</u>
<b>Net Current Liabilities</b>		<u>(62,173)</u>	<u>(28,390)</u>
<b>Net (Liabilities) / Assets</b>		<u><u>(58,890)</u></u>	<u><u>(23,024)</u></u>
<b>Funds</b>			
Unrestricted		<u>(58,890)</u>	<u>(23,024)</u>
		<u><u>(58,890)</u></u>	<u><u>(23,024)</u></u>

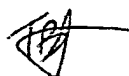
For the year ended 31 December 2022 the Company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- 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 have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 27/09/2023 and were signed on its behalf by:



Mr T Broughton  
Trustee

## **Amazing Grace - Teesside**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### **1 ACCOUNTING POLICIES**

##### **(a) Basis of preparation**

The charitable company is a registered charity in England. The address of the registered office is given in the company information on page 1. The nature of the charitable company's operations and principal activities are shown in the Report of the The Trustees.

The charitable company constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charitable companies preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015

The financial statements are prepared on a going concern basis under the historical cost convention. The trustees believe that the charity will be able to meet its financial obligations when they become due. The financial review on page 2 gives details of the current and expected financial position. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements and believes that the charity will have sufficient funds to meet all obligations.

The financial statements are prepared in sterling which is the functional currency of the charitable company, rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### **(b) Company status**

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

##### **(d) Incoming resources**

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- Any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity.
- There is sufficient certainty that receipt of the income is considered probable; and
- The amount can be measured reliably.

There is no netting off of expenditure within the accounts.

Donations are credited to income as they are received.

Income from government and other grants, whether capital or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Continued...



## Amazing Grace - Teesside

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### **1 ACCOUNTING POLICIES - continued**

##### **(e) Resources expended**

All expenditure is accounted for on an accruals basis and is recognised once there is a legal constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Attributable VAT is included in expenditure and cannot be recovered. Expenditure is classified under the following headings:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs which can be directly allocated to activities and those costs of an indirect nature necessary to support them.
- Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include general repairs, insurance, utility bill and governance costs.
- Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

##### **(f) Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation. Assets costing less than £500 are not capitalised.

Improvements to property are depreciated over the period of the lease.

Computer equipment is depreciated on a 20% straight line basis.

Fixtures and fittings are depreciated on a 20% straight line basis.

Motor vehicles are depreciated on a 20% straight line basis.

##### **(g) Cash at bank**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **(h) Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

##### **(i) Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### **(j) Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

##### **(k) Taxation**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK corporation tax purposes.

##### **(l) Operating Leases**

Operating lease rentals are charged in the Statement of Financial Activities on a straight line basis over the lease term.

##### **(m) Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**Amazing Grace - Teesside**

**Notes to the Financial Statements for the Year Ended 31 December 2022**

**2 DONATIONS AND LEGACIES**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Donations	<b>96,920</b>	<b>93,736</b>

**3 OTHER TRADING ACTIVITIES**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Charity shop sales	<b>30,306</b>	29,459
Book & tuck shop sales	<b>423</b>	644
Profit on Sale of Fixed Asset	<b>500</b>	-
	<b>31,229</b>	<b>30,103</b>

**4 GOVERNMENT GRANTS**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Coronavirus Job Retention Scheme	<b>-</b>	<b>25,603</b>

**5 INVESTMENT INCOME**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Bank interest	<b>90</b>	<b>41</b>

**6 DONATED GOODS, FACILITIES OR SERVICES**

Volunteers donate their time to help in various roles across the charity. Prior to the charity shop opening, this had been predominantly helping run church services and events. Since the shop opened, the role of volunteers expanded to include running the shop. There are also a small number of volunteers who help the charity in administration roles.

**Amazing Grace - Teesside**

**Notes to the Financial Statements for the Year Ended 31 December 2022**

**8 CHARITABLE ACTIVITIES COSTS**

	2022 £	2021 £
<b>Costs directly allocated to activities:</b>		
Payments for pastoral services	14,065	20,966
Food & drink	2,481	3,205
Rent & water	43,394	33,366
Missionary trips & expenses	9,056	8,032
Alpha costs	-	308
Youth Work costs	435	1,975
Wages	65,100	62,600
Social Security	1,549	2,202
	<hr/> 136,080	<hr/> 132,654
<b>Support costs allocated to activities</b>		
Repairs & maintenance	1,289	6,404
Heat & light	8,474	11,138
Printing, postage, stationery & advertising	139	967
Telephone	850	800
Insurance	3,169	3,262
Travel expenses	498	1,419
Sundries	1,581	1,266
Book shops	279	994
Depreciation	2,906	12,761
Loss on sale of fixed assets	-	160
Computer expenses	1,590	2,086
Bank charges	966	940
Foreign exchange losses	-	22
Donations	5,083	101
	<hr/> 26,825	<hr/> 42,320
<b>Governance costs</b>		
Independent Examiners fee	1,200	1,140
	<hr/> 1,200	<hr/> 1,140
<b>Total expenditure on charitable activities</b>	<hr/> <b>164,105</b> <hr/>	<hr/> <b>176,114</b> <hr/>

**9 STAFF COSTS**

	2022 £	2021 £
Wages & salaries	65,100	62,600
Social Security costs	1,549	2,202
	<hr/> 66,649	<hr/> 64,802

The average monthly number of employees during the year was 3 (2021 : 2).

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

**Key management personnel costs**

The trustees are deemed key management personnel, no remuneration has been paid to any trustees in the period.

**Amazing Grace - Teesside**  
**Notes to the Financial Statements for the Year Ended 31 December 2022**

**10 TANGIBLE FIXED ASSETS**

	<b>Fixtures &amp; Fittings</b>	<b>Computer Equipment</b>	<b>Improvements to Property</b>	<b>Total</b>
	£	£	£	£
At 1 January 2022	13,143	24,412	3,666	41,221
Additions	-	-	823	823
Disposals	(1,375)	-	-	(1,375)
<b>At 31 December 2022</b>	<b>11,768</b>	<b>24,412</b>	<b>4,489</b>	<b>40,669</b>
<b>Depreciation</b>				
At 1 January 2022	12,029	22,604	1,222	35,855
Charge for Year	408	1,002	1,496	2,906
Eliminated on Disposal	(1,375)	-	-	(1,375)
<b>At 31 December 2022</b>	<b>11,062</b>	<b>23,606</b>	<b>2,718</b>	<b>37,386</b>
<b>Net Book Value</b>				
<b>31 December 2022</b>	<b>706</b>	<b>806</b>	<b>1,771</b>	<b>3,283</b>
31 December 2021	1,114	1,808	2,444	5,366

**11 DEBTORS**

	<b>2022</b>	<b>2021</b>
	£	£
Other debtors	634	651
Prepayments	11,618	451
	<b>12,252</b>	<b>1,102</b>

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	<b>2021</b>
	£	£
Trade creditors	70,252	27,385
Accruals	1,872	2,041
Other taxes and social security	998	1,575
Other Creditors	3,090	-
	<b>76,212</b>	<b>31,001</b>

**13 LEASING COMMITMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	<b>2022</b>	<b>2021</b>
	£	£
Within one year	8,000	-
1 – 5 Years	32,000	-
	<b>40,000</b>	<b>-</b>

The total lease payments recognised as an expense in the Statement of Financial Activities were £nil.  
(2021: £4,583).

**Amazing Grace - Teesside**

**Notes to the Financial Statements for the Year Ended 31 December 2022**

**14 TRUSTEE REMUNERATION AND EXPENSES**

Mr A Braye received £7,200 (2021: £6,675) for pastoral services provided.

Expenses totalling £1,448 (2021: £1,777) were paid to Mr A Braye.

Expenses totalling £470 (2021: Nil) were paid to Mr T Broughton.

No other trustee expenses or remuneration were paid.

**15 RELATED PARTY TRANSACTIONS**

Amounts paid to trustees are stated in note 14 above.

Sally Ann Grace Broughton, mother of a trustee, has been employed by the Charity, the sums totally £2,500 (2021: Nil) have been paid to Sally in the period.

**Amazing Grace - Teesside**

**Independent Examiner's Report to the Trustees of Amazing Grace - Teesside**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

**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 2016 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.

*Anderson Barrowcliff LLP*

Mrs Jane Bennett  
Anderson Barrowcliff LLP  
Chartered Accountants  
3 Kingfisher Way  
Bowesfield Park  
Stockton on Tees  
TS18 3EX

27/9/23