

**GRACE CHURCH, WOLVERHAMPTON**  
**TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2023**

Company Registration No. 10905279 (England and Wales)  
Charity Registration No. 1174223

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## Trustees Report Objectives and Activities

The Charity's objects ("Objects") are for the public benefit and are specifically restricted to the advancement of the Christian faith and the relief of sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind, in such parts of the United Kingdom or the world as the Trustees from time to time may think fit.

Grace Church Wolverhampton is a Christian Church working in partnership with the Catalyst group of Newfrontiers churches, as well as sharing together with Connect, an association seeking to network Wolverhampton's Churches. Grace Church believes that the good news of knowing God personally through faith in Jesus Christ is a message that is as important today as any other. The team serving GCW is led by Mark and Sally Lloyd who were called to Wolverhampton to assist in planting the Church in 2011 alongside Anthony and Gill Henson who were the original leaders of the church plant. Anthony and Gill had established a number of churches across the South East and the Midlands over the past 26 years. GCW has been established as a church since March 2013.

GCW believes that you do not have to be of a certain standard to get involved and participate in the life of the church. There are no experts. Even those who have been doing it for more than 30 years, do not consider themselves to be experts. There are also no perfect people including the leadership team and Elders. The church seeks together to simply go with what they believe God is saying at each stage of its development within the local context. GCW is built on a number of teams. It believes that having a good core team is an essential element in establishing the work that God has called it to. The church is young in heart and flexible, full of faith, able to adapt and prepared to take risks.

GCW desires to fulfil the command of scripture to take the Gospel into the world. GCW desires very much to grow not so much from transfer growth from other churches but by reaching new converts and seeing prodigals return to the Lord.

The vision of the church is about building a solid foundation of the Grace of God, the Word of God and the Holy Spirit but also reaching out to the community and the world around us. As much energy is spent on reaching people outside of the church as it is building up those who are already in the church.

Grace Church has certain values and characteristics which shape what it does and how it does it. These are:

- To love God and to love one another.
- To receive, live and to minister the unmerited and abundant mercy and grace of God.
- To be founded and formed by the Word of God.
- To be filled and led by the Holy Spirit in life and ministry.
- To correctly value the whole body of Christ and to welcome the different ministries within it, including the "Ephesians 4" ministries.
- To pursue the presence of Christ in our gatherings and in our lives.

- To be friendly, informal, work as a team and be humble in all we do.
- To give away what we receive in humble service to one another.

Leaders and members of the congregation are committed to upholding and promoting this vision and these values.

Grace Church's main activities comprise of the following:

- Sunday services of worship
- Mid-week Connection points in homes
- Other occasional church related activities such as prayer meetings, prayer walking...
- Provision of groceries and food to people in need both within and outside of the congregation through the Manna Soup Kitchen and a partnership with FareShare Midlands.

## **Achievements and Performance**

The Church has carefully and slowly emerged from the impact that Covid-19 has had on all institutions and churches. It continues to practice the Christian faith by teaching the Bible and by assisting the enquirer through all means available including electronic communications.

The Zoom facility has continued to greatly help us as a key for gathering people to pray or in small community groups when not able to meet face-to-face. Similarly, we have continued to utilise our YouTube recordings to ensure those who are unable to join us on a Sunday morning can access key pastoral teaching. However, following an emphasis on building community together we have stopped streaming our complete service and encouraged people to join back with the key 'face-to-face' expressions of church community. This was also reflected in our church barbecue, which was well attended and provided a perfect opportunity to develop community across the church.

We have continued to meet within the same location, which is reflective of many of the key needs in most communities within Wolverhampton. As a community we are currently in the process of assessing where we can meet to best serve the key localities around us. We have hosted a number of family focussed, community enriching events around the celebrations of Easter and Christmas. This has included animals, gifts and interactive services for all ages. We have again been particularly keen to assist the elderly and vulnerable during this year. Regular pastoral visits have continued alongside a number of initiatives to provide practical support to those in need. This has included a community sharing table as a response to the cost of living crisis so that all who come on a Sunday have access to a range of products and donations for free. Also, in the area of supporting the vulnerable, the Manna soup has restarted in a community centre in the Heath Town area of the city. It is regularly attended by at least 30 people with varying needs providing a key hub in the community. The volunteers, led by a member of the church receive constant positive feedback.

One impact of Covid that is increasingly being recognised throughout the world, is the impact on mental health. Through our church working in partnership with other organisations, assistance has been brought to schools, various contexts of social need and other groups. This is a key, ongoing need within the church and we are in the process of identifying some key ways we can be equipped to provide pastoral support and improve the mental wellbeing of those we meet with.

This period has again been a time of working closely with other Wolverhampton/Black Country churches, social action networks. There are a number of people within the church who have significant roles of influence within the city in the charitable, volunteer and support sectors. For instance a key leadership family within the church have began an initiative to develop a “street association” including community clean up events and street parties. This action has deepened connections within their neighbourhood and provided links with local councillors.

The church has provided care and assistance to a growing number of young families, to the extent where we now see that a major opportunity for the church is in providing support for young families. We have responded to this with the provision of a youth work and ongoing kids church on Sundays. Also, one Sunday per month we have developed our “family communion service” which has become a focal point for more accessible, interactive and community focussed expressions of worship.

We have made a number of donations during the year to assist the mission of this church and other churches via various ‘churches together’ groupings, as well as youth work, the poor and the elderly. One key new initiative has been an ongoing friendship with a Methodist church in another locality. Grace Church has provide fellowship and worship support on a monthly basis, meeting with this small congregation and providing teaching to see how we might partner together to serve the city. And the church has also sent donations to parts of the world where existing deprivation has been compounded by pandemic and war, in particular Kenya and Ukraine.

Grace Church continues to reflect in many ways the rich diversity of life in Wolverhampton and the Black Country with all age groups, many cultures and backgrounds represented within the congregation. We also have a growing awareness of neurodiversity present within our community.

The challenges we face as a church are exciting as well as very stretching and we look forward to another year of being a church with such a wide vision to impact the City of Wolverhampton, the Black Country and beyond.

## **Financial Review**

Grace Church made a significant but planned financial loss during the last financial year. The majority of the charity’s general fund is made up of tithes and donations from the members of the organisation who contribute towards the ongoing costs of running the organisation. Income levels have continued to remain on the lower scale throughout this financial year. This continues to be a legacy of COVID and the ongoing challenges it has presented.

A conscious decision was made by the Elders and Trustees to invest some of the church’s significant reserves into the training and transition of Mark Lloyd into the role of Lead Elder of the church and developing a post COVID vision for the future of the church.

The church has a policy of not holding more than three months of reserves unless there are specific requirements for doing so. It currently holds free reserves of just under £70,000, which is more than the 3-month policy requires.

As previously indicated, the transition of the church to new leadership alongside investing in future growth, has required some reserves to be used in a deliberate and intentional manner in consultation with Elders and Trustees. This coming financial year and potentially next financial year will require ongoing investment and use of reserves, however this will enable the church to continue to serve the community in the same way it has for a number of years as well as implementing a long term strategy for financial stability and sustainability.

## **Structure, Governance and Management**

The Church is governed by Articles of Association and is constituted as a Charitable Company (limited by guarantee). It is overseen by a board of trustees who are appointed by the Elders of the church.

In relation to the policies and procedures adopted by the charity for the induction and training of trustees, current and any new trustees are referred to guidance from the Charity Commission on their website under the heading of "Trustee Role and Board". The Chair of trustees has put together an induction pack which includes guidance from the charity commission, information about the church itself including its policies and procedures and financial status and health.

New trustees are provided with up-to-date charity commission guidance relating to the role and responsibilities of trustees. They are provided with copies of the policies and procedures of the organisation and encouraged to read through them and ask any questions that they may have. The Chair of trustees meets with them to discuss the above documents, answer any questions and ensure that they have understood the requirements of the role that they are being asked to undertake.

The trustees are all members of the congregation. They all have experience of governance within educational or charitable organisations and a number have served on other boards in similar capacities or work operationally in partnership with boards within their own organisation.

The charity is currently led by a lead Elder Mark Lloyd who has transitioned to being the pastor of the church. He is supported by the other Elder Anthony Henson, a team of trustees and a wider leadership team. This is one of the biggest changes and opportunities in the past year. The year has reflected significant transition as Mark has developed within the role of Trainee Pastor to begin to take a lead role within the Eldership Team. Anthony has remained a key part of the Eldership team, transitioning into a position where his expertise and experience can be best utilised through teaching, mentoring Mark and other leaders and pastoral support. The church continues to be behind this initiative and has in fact flourished alongside the development of this team. Whilst these steps have meant a mid-term financial stretch for the church, the financial reserves have allowed for the extension of the ministry of the church in a new way, as well as galvanising the church into a new sense of purpose and action and has provided sound foundation for the future pastoral leadership of the church.

Mark's role has included the gathering and initial development of a core team from within our wider leadership structure. Mark and Anthony have commissioned a revitalised website and rebranding too. Mark has led on the initial development of new vision and initiatives as well as providing a growing level of pastoral support and teaching.

Anthony has also continued to fulfil a wider remit with churches and leaders beyond Grace Church. He has mentored a number of other church leaders in the UK and Germany, providing support on key areas such as leadership development, church planting and pastoral ministry.

Grace Church is part of the Newfrontiers family of churches and benefits greatly from the support of those churches within this group through conferences that are organised by them and through the personal relationships between the church leaders. Grace Church is part of the Catalyst Network in Newfrontiers. The Catalyst Team is led by Simon Holley and encompasses a number of New Frontiers churches in the UK and across the world including many Russian speaking countries and the Middle East

Mark has also attended the “Leadership and Theology Training” run within the Catalyst Network of church alongside continuing connections to the Catalyst Hub of Churches.

## Reference and Administrative details

Charity name	Grace Church Wolverhampton
Other name the charity uses	
Registered charity number	1174223
Charity’s principal address	61 Vicarage Road, Wednesfield, Wolverhampton, WV11 1SE

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Matthieu Lambert	Chair / Treasurer		Elders
2	Sally Lloyd	Assistant Treasurer	To July 2023	Elders
3	Denise Bellingham-Young		From August 2023	Elders
4	Drusilla Kwembe	Safeguarding		Elders
5	Stephen Morgan	Staff welfare		Elders

### Name of chief executive or names of senior staff members (Optional information)

Mark Lloyd is the “Lead Elder” having the effective function of CEO.

## Declarations

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 August 2019. 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).

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 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.

These accounts have been prepared in accordance with the micro-entity provisions and have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

Signed on behalf of the charity's trustees

Chair of Trustees – Matthieu Lambert – dated 18<sup>th</sup> September 2023



*Matthieu Lambert 18th September 2023*



## Independent Examiners Report to the trustees of Grace Church Wolverhampton

on the accounts for the year to **31<sup>st</sup> August 2023** as set out on pages 10 – 16 in this document

### Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed

### Independent examiner's statement

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and to state whether particular matters have come to my attention.

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently, no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in, any material respect, the requirements:

- 1) to keep accounting records in accordance with section 130 of the Charities Act; and to prepare accounts that accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Mervyn Thomas  
128 Putnoe Lane  
Bedford MK41 8LS

Dated: 26.09.23

## Statement of Financial Activity

For the year ended 31st. August 2022	Notes	Unrestricted funds £	Restricted funds £	Total this year £	Total last year £
<b>Incoming resources</b>	3				
Incoming resources from generated funds		-	-	-	-
Voluntary income		49,345	4,030	53,375	49,925
<b>Total incoming resources</b>		<b>49,345</b>	<b>4,030</b>	<b>53,375</b>	<b>49,925</b>
<b>Resources expended</b>	4				
Costs of Generating Funds		1,309	23	1,332	309
Charitable activities		71,905	1,698	73,603	63,488
<b>Total resources expended</b>		<b>73,214</b>	<b>1,721</b>	<b>74,935</b>	<b>63,797</b>
Net incoming/(outgoing) resources before transfers		(23,869)	2,309	(21,560)	(13,872)
Gross transfers between funds	7	-	-	-	-
Net movement in funds		(23,869)	2,309	(21,560)	(13,872)
Total funds brought forward		92,457	472	92,929	106,801
<b>Total funds carried forward</b>		<b>68,588</b>	<b>2,781</b>	<b>71,369</b>	<b>92,929</b>

## Balance Sheet

For the year ended 31st. August 2022	Note	Unrestricted funds £	Restricted funds £	Total this year £	Total last year £
<b>Current assets</b>					
Debtors	5	3,743	-	3,743	1,536
Cash at bank and in hand		65,085	2,781	67,866	91,963
<b>Total current assets</b>		<b>68,828</b>	<b>2,781</b>	<b>71,609</b>	<b>93,499</b>
Creditors: amounts falling due within one year	6	(340)	-	(340)	(570)
<b>Net assets less liabilities</b>		<b>68,488</b>	<b>2,781</b>	<b>71,269</b>	<b>92,929</b>
<b>Funds of the Charity</b>					
Unrestricted funds		68,588	-	68,588	92,457
Restricted income funds	7		2,781	2,781	472
<b>Total funds</b>		<b>68,588</b>	<b>2,781</b>	<b>71,369</b>	<b>92,929</b>

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

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 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.

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

Approved by the Trustees and signed on their behalf.



*Matthieu Lambert 18th September 2023*

## NOTES TO THE ACCOUNTS YEAR ENDED 31 August 2023

### 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 note(s) 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
- and with 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 Charity is a going concern. Income generation through members' donations is maintaining adequate reserves.

#### 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).

## 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).

There are no performance-related grants.

#### **Legacies**

Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

#### **Government grants**

The charity has not received any government grants in the reporting period.

#### **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.

#### **Contractual income and performance-related grants**

This is only included in the SoFA once the charity has provided the related goods or services or met the performance-related conditions.

#### **Donated goods**

The charity has not received any goods in the reporting period considered to be of material value. No donated goods have been monetised.

#### **Donated services and facilities**

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SoFA.

#### **Support costs**

The charity has not incurred expenditure on support costs.

#### **Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the Trustees' annual report.

#### **Income from interest, royalties, and dividends**

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

#### **Income from membership subscriptions**

No membership subscriptions are charged.

#### **Settlement of insurance claims**

Insurance claims are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP) and are included as an item of other income in the SoFA.

#### **Investment gains and losses**

Investment gains or losses in the year are recognized in the SoFA

## 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.

### Redundancy cost

The charity made no redundancy payments during the reporting period.

### Deferred income

No material item of deferred income has been included in the accounts.

### Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts

### Provisions for liabilities

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

### Basic financial instruments

The charity accounts for basic financial instruments on initial recognition as per paragraph 10.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.

## 2.3 ASSETS

### Tangible fixed assets for use by charity

These are capitalised if they can be used for more than one year, and cost at least £10,000

They are valued at cost except for land and buildings which are shown at the values at 31 December 2016.

The depreciation rates and methods used are below:

Furniture and fittings	10% straight line
Computers and equipment	33% straight line
Buildings	0% straight line

### Intangible fixed assets

The charity does not have intangible fixed assets, that is, non-monetary assets that do not have physical substance but are identifiable and are controlled by the charity through custody or legal rights

### Debtors

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.

### 3 Analysis of income

	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
	£	£	£	£
<b>Donations and legacies:</b>				
Voluntary donations	41,767	4,030	45,797	41,506
Gift Aid	7,423	-	7,423	8,419
<b>Interest</b>	155	-	<b>155</b>	
<b>Total Donations and legacies</b>	<b>49,345</b>	<b>4,030</b>	<b>53,375</b>	<b>49,925</b>

### 4 Analysis of expenditure

	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
	£	£	£	£
<b>Expenditure on generating funds:</b>				
Webpage	1,309	-	1,309	309
Publicity and printing	-	23	23	-
<b>Total expenditure on generating funds</b>	<b>1,309</b>	<b>23</b>	<b>1,332</b>	<b>309</b>
<b>Expenditure on charitable activities</b>		-		
Salaries and wages	46,996	-	46,996	38,426
Pensions	-	-	-	36
Travel, conferences	5,797	-	5,797	4,180
Office Expenses	4,238	-	4,238	3,513
property costs (rents)	6,683	-	6,683	6,230
Resources, Catering and cost of meetings	1,555	1,698	3,253	2,087
Pastoral and care for the needy	650	-	2,735	4,034
Ministry and Catalyst	3,354	-	3,354	3,704
Children	377	-	377	1,108
Governance (Independent Examiner)	170	-	170	170
<b>Total expenditure on charitable activities</b>	<b>71,905</b>	<b>1,698</b>	<b>73,603</b>	<b>63,488</b>
<b>TOTAL EXPENDITURE</b>	<b>73,214</b>	<b>1,721</b>	<b>74,935</b>	<b>63,797</b>

### 5 Debtors and prepayments

Analysis of debtors	Amounts falling due within one year	
	2023	2022
	£	£
Prepaid Expenses Trainee Pastor	0	850
HMRC Gift Aid	3,743	686
<b>Total</b>	<b><u>3,743</u></b>	<b><u>1,536</u></b>

## 6 Creditors and accruals

Analysis of creditors	Amounts falling due within one year	
	2023	2022
	£	£
Accruals	50	50
Creditors	290	520
<b>Total</b>	<b><u>340</u></b>	<b><u>570</u></b>

## 7 FUNDS ANALYSIS

Movements of all funds summarised in the Statement of Financial Activities.

Fund Name	Fund balances brought forward	Incoming resources	Outgoing resources	Transfers	Fund balances carried forward
	£	£	£	£	£
<b>Church Unrestricted</b>	92,506	49,346	(73,214)	-	68,638
Soup Kitchen Restricted	472	4,030	(1,721)	-	2,781
<b>Total Funds</b>	<b>92,978</b>	<b>53,376</b>	<b>(74,935)</b>	<b>-</b>	<b>71,419</b>

## 8 Trustees Disclosures

In respect of expenses, Trustees have not received any expenses for their duties as trustees. There have been a number of reimbursements over the course of the financial year to trustees for direct expenditures on behalf of the charity in circumstances where it was simpler for the trustee to incur the expense and request reimbursement than arrange for the charity to make the initial payment.