

GRACECHURCH BROMSGROVE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

GRACECHURCH BROMSGROVE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr B Bevins
Dr J Coleman
Mr R Hopkins
Mrs R Dixon
Mr T Pritchard
Mr I Dixon
Miss S Coppack

(Appointed 12 September 2022)

Charity number

1185718

Principal address

3 Guild Road
Bromsgrove
Worcestershire
B60 2BY

Independent examiner

Colm McGrory
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

GRACECHURCH BROMSGROVE

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GRACECHURCH BROMSGROVE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's CIO constitution, the Charities Act 2011 and "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

The charitable objectives are as follows:

- i) The advancement of the Christian religion in the United Kingdom and overseas.
- ii) The advancement for the public benefit of religious and other education.
- iii) The relief of the sick and disabled.
- iv) Such other charitable purposes as the trustees in their absolute discretion think fit.

When planning our activities for the year, the trustees have complied with their duties under section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission's on public benefit and in particular the specific guidance on charities for the advancement of religion. This is achieved through social support to the elderly and poor, educational courses and regular Sunday meetings.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Significant activities

Particular ways in which the objectives have been fulfilled include:

- Regular Sunday afternoon meetings open to the public and including teaching on the Christian faith.
- Educational courses to teach on the Christian faith (Alpha courses open to the public).
- Involvement in Churches Together initiatives such as Street Prayer which are open to everyone.
- General provision of social support to members and non-members of the charity.
- House groups for members and non-members of the charity, meeting regularly for prayer, study and mutual support.
- Specific donations to Charities and individuals working in Churches in Turkey, Uganda and East Africa.
- Specific donations to a family providing medical and practical support at a hospital in Zambia.
- Regularly serving the community with events throughout the year which include assisting local people and organisations to carry out gardening, painting, litter picking etc. Also to hold annual events open to the general public such as a quiz night, summer BBQ and Christmas party.
- Weekly social group and meal for the Charford community at St Andrews church hall known as Open Doors which includes Bible teaching and activities.
- Regular activities for young people, including taking a party to a summer camp organised by Newfrontiers (Newday).
- Involvement, together with other churches in the area, in the provision of Street Pastors to support members of the public,
- Employment of a Recovery Community Development Worker for one day a week to build on, and develop, new and existing structures within the community to support those with drug and alcohol addiction. Alongside this we are looking at working with others in the setting up of a residential drug and alcohol 'recovery' house in Bromsgrove.

The Charity relies on donations from members of the charity. This income was in line with expectation. There were no additional fundraising activities.

Grantmaking

When the budget is set, after discussions with the elders and the trustees, amounts to be gifted as donations to third parties are agreed and budgeted for.

GRACECHURCH BROMSGROVE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The net result for the year was a deficit of £-18,597 (2022 deficit: £-12,498). The charity received donations and legacies, and investment income amounting to £43,619 (2022: £37,551) of which £62,216 (2022: £50,049) was spent in pursuit of the charity's objectives. At 31st March 2023, £19,175 (2022: £24,205) was held as restricted funds and £92,845 (2022: £106,412) was held as unrestricted funds.

Of the unrestricted funds, a significant sum has been allocated to the development of drug and alcohol support services in Bromsgrove. In 2020 we employed a Recovery Community Development Worker for one day a week to build on, and develop, new and existing structures within the community to support those with drug and alcohol addiction. We continue to do this. It has been successful in forming links with established substance misuse organisations, receiving referrals from County service. Group meetings continue to be much needed and appreciated, particularly over the last few years with reduced social contact.

Alongside this we are looking at working with others in the setting up of a residential drug and alcohol 'recovery' house in, or around, Bromsgrove. We envisage that the need for such support will remain in the current financial climate.

Reserves policy

The charity aims to have reserves equivalent to three months of average expenses, currently around £15,000. This is reviewed annually. This level of reserve would enable Gracechurch to fulfil its ongoing commitments to its staff and agreements to lease and hire facilities and continue its normal operating activities should a shortfall in income or unexpected costs arise from time to time.

In determining the level of reserves, the Trustees took into account the currently low levels of fixed expenditure and risk incurred by the Trust. The charity has no investments other than the bank accounts which are used to perform the day to day activities.

Risk management

The trustees identify the major risks to which the charity is exposed each financial year when preparing and updating a strategic plan, in particular those relating to the operations and finances of the charity. The trustees then review major risks which have been identified, and establish systems to mitigate those risks. The charity is satisfied that systems are in place to mitigate their exposure to the major risks which have been so identified and reviewed.

The charity is open to the usual financial risks of any organisation, and the charity has introduced controls to minimise these risks, including procedures to prevent fraud. In addition, the accounts are regularly explained to members of the charity in open meetings where all are invited. They are open for members inspection at any time. The charity carries a comprehensive insurance policy.

Work with children and vulnerable adults is open to risk. The policy is that any visits and counselling is done in pairs, as is children's work and the transport of these individuals. We have a safeguarding policy. Both Elders of the Church and some of the Trustees have enhanced Safeguarding training (level 2&3). We use the independent training and support organisation Thirtyone:eight (www.thirtyoneeight.org) for training and advice when needed.

All workers are required to be cleared by the DBS.

GRACECHURCH BROMSGROVE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

The charity is a Charitable Incorporated Organisation and is constituted under a Trust Deed dated 19th September 2019 and is registered with the Charity Commission with number 1185718. The CIO currently employs two members of staff.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr B Bevins

Dr J Coleman

Mr R Hopkins

Mrs R Dixon

Mr T Pritchard

Mr I Dixon

Miss S Coppack

(Appointed 12 September 2022)

The trustees are appointed on discussion between the elders and serving trustees. They are signed in as trustees at the first meeting they attend.

The elders are Steve Vincent and Jonathan Coleman who provide spiritual and strategic direction to the Church.

The trustees meet at least four times a year and the elders and leadership team meet monthly to discuss and plan objectives and the implementation thereof. Matters of concern are raised with all members.

Staff of the charity have delegated authority to carry out day to day activities within policies agreed by the board.

Ecumenical relationships

Gracechurch works closely with other Christian organisations such as Newfrontiers and the Evangelical Alliance and other churches in the local area.

Impact of COVID 19

Unlike many Charities, we were not adversely affected financially due to the pandemic. Due to the reduction in larger meetings and cancellation of our larger events, our financial position, income and expenditure, remains healthy.

GRACECHURCH BROMSGROVE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

Mr I Dixon

Trustee

Dated: 9 November 2023

GRACECHURCH BROMSGROVE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF GRACECHURCH BROMSGROVE

I report to the trustees on my examination of the financial statements of Gracechurch Bromsgrove (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do 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 financial statements to be reached.



Colm McGrory FCA
Ormerod Rutter Limited
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

Dated: 9 November 2023

GRACECHURCH BROMSGROVE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	38,591	4,509	43,100	29,079	8,463	37,542
Investments	4	519	-	519	9	-	9
Total income		39,110	4,509	43,619	29,088	8,463	37,551
Expenditure on:							
Charitable activities	5	52,677	9,539	62,216	41,464	8,585	50,049
Gross transfers between funds		-	-	-	(5,000)	5,000	-
Net expenditure for the year/ Net movement in funds		(13,567)	(5,030)	(18,597)	(17,376)	4,878	(12,498)
Fund balances at 1 April 2022		106,412	24,205	130,617	123,788	19,327	143,115
Fund balances at 31 March 2023		92,845	19,175	112,020	106,412	24,205	130,617

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

GRACECHURCH BROMSGROVE

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	9		1,133		1,983
Current assets					
Debtors	10	-		16,908	
Cash at bank and in hand		114,432		116,111	
		114,432		133,019	
Creditors: amounts falling due within one year	11	(3,545)		(4,385)	
Net current assets			110,887		128,634
Total assets less current liabilities			112,020		130,617
Income funds					
Restricted funds	12		19,175		24,205
<u>Unrestricted funds</u>					
Designated funds	13	47,000		43,000	
General unrestricted funds		45,845		63,412	
			92,845		106,412
			112,020		130,617

The financial statements were approved by the Trustees on 9 November 2023

Mr I Dixon
Trustee

GRACECHURCH BROMSGROVE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Gracechurch Bromsgrove is a Charitable Incorporated Organisation (CIO) with the Charity Commission for England and Wales. It is governed by a trust deed dated 19th September 2019 and adopted by its members.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

GRACECHURCH BROMSGROVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10% - 50% straight line basis
Computer equipment	20% - 33% straight line basis

The gain or loss arising on any disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

GRACECHURCH BROMSGROVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	36,569	4,509	41,078	28,735	8,463	37,198
Non gift aid donations	2,022	-	2,022	344	-	344
	<u>38,591</u>	<u>4,509</u>	<u>43,100</u>	<u>29,079</u>	<u>8,463</u>	<u>37,542</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Interest receivable	<u>519</u>	<u>9</u>

GRACECHURCH BROMSGROVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Charitable activities

	2023 £	2022 £
Share of support costs (see note 6)	60,786	48,185
Share of governance costs (see note 6)	1,430	1,864
	<u>62,216</u>	<u>50,049</u>
Analysis by fund		
Unrestricted funds	52,677	41,464
Restricted funds	9,539	8,585
	<u>62,216</u>	<u>50,049</u>

6 Support costs

	Support costs £	Governance costs £	2023 Support costs £	Governance costs £	2022 £
Staff costs	12,632	-	12,632	12,003	12,003
Depreciation	1,272	-	1,272	1,296	1,296
Premises costs	4,512	-	4,512	7,252	7,252
Printing and stationery	2,258	-	2,258	1,479	1,479
Hardship fund	995	-	995	-	-
Charitable activities	14,275	-	14,275	7,558	7,558
Books	2,132	-	2,132	441	441
General giving	13,615	-	13,615	9,020	9,020
Church planting fund	8,544	-	8,544	8,585	8,585
Legal and professional	551	-	551	551	551
Audit fees	-	1,430	1,430	-	1,864
	<u>60,786</u>	<u>1,430</u>	<u>62,216</u>	<u>48,185</u>	<u>50,049</u>
Analysed between					
Charitable activities	60,786	1,430	62,216	48,185	50,049

Governance costs includes costs incurred to the auditors of £1,430 (2022: £1,864) for independent examination fees.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

GRACECHURCH BROMSGROVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	2	2

Employment costs	2023 £	2022 £
Wages and salaries	12,632	12,003

9 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 April 2022	5,607	9,082	14,689
Additions	421	-	421
Disposals	(836)	(1,268)	(2,104)
At 31 March 2023	5,192	7,814	13,006
Depreciation and impairment			
At 1 April 2022	5,512	7,193	12,705
Depreciation charged in the year	100	1,046	1,146
Eliminated in respect of disposals	(710)	(1,268)	(1,978)
At 31 March 2023	4,902	6,971	11,873
Carrying amount			
At 31 March 2023	290	843	1,133
At 31 March 2022	94	1,889	1,983

10 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	-	16,908

GRACECHURCH BROMSGROVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	1,594	2,485
Accruals and deferred income	1,951	1,900
	<u>3,545</u>	<u>4,385</u>

GRACECHURCH BROMSGROVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Restricted funds

	Movement in funds				Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£	£	£	£
Housing fund	8,033	2,148	-	-	10,181	918	-	11,099
Church planting fund/Junction 1	7,223	6,315	(8,585)	-	4,953	3,591	(8,544)	-
Hardship fund	4,071	-	-	5,000	9,071	-	(995)	8,076
	<u>19,327</u>	<u>8,463</u>	<u>(8,585)</u>	<u>5,000</u>	<u>24,205</u>	<u>4,509</u>	<u>(9,539)</u>	<u>19,175</u>

Housing fund - a fund to provide support for future housing or building projects

Church planting fund/Junction 1 - funds to support a church plant in Bromsgrove

Hardship fund - a fund for use in future Drug and Alcohol residential rehabilitation services

GRACECHURCH BROMSGROVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021 £	Transfers £	Balance at 1 April 2022 £	Transfers £	Balance at 31 March 2023 £
Housing fund	40,000	3,000	43,000	3,000	46,000
Hardship fund	-	-	-	1,000	1,000
	<u>40,000</u>	<u>3,000</u>	<u>43,000</u>	<u>4,000</u>	<u>47,000</u>

Housing fund - to provide support for future housing or building projects.

Hardship fund - a fund for use in future Drug and Alcohol residential rehabilitation services.

14 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	1,133	-	1,133	1,983	-	1,983
Current assets/(liabilities)	91,712	19,175	110,887	104,429	24,205	128,634
	<u>92,845</u>	<u>19,175</u>	<u>112,020</u>	<u>106,412</u>	<u>24,205</u>	<u>130,617</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).