

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 August 2022
for
Grace Generation

Grace Generation

Contents of the Financial Statements
for the Year Ended 31 August 2022

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Notes to the Financial Statements	8 to 13

Report of the Trustees
for the Year Ended 31 August 2022

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 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The last year, particularly the first half, was again affected by the Covid pandemic, with various activities and gatherings curtailed due to certain ongoing Government restrictions.

However, the work continued and all ministry departments reported ongoing development and growth.

Numbers attending church, youth and children's ministries remained strong throughout the year, and income levels remained healthy.

An extremely exciting and miraculous development for Grace Generation occurred in March 2022 when we were offered the opportunity to move into, and become the tenant, of what had been 'The Coach' Nightclub in Banbridge. The Board and members of Grace Generation accepted this offer and began working with the owners to start the process of moving premises.

'The Coach' had been closed for approximately 2 years and a considerable amount of cleaning and fixing up was required to get the building into a state where it could be used for our various activities. This provided a great opportunity for people to come together to help work on the building.

As a result of moving premises our Coffee House, 'Bean There', closed at the end of June 2022 and our final Sunday service in our old premises took place on 17 July 2022.

It is planned that a rebranded Coffee House will open later in 2023 in the new premises and that church services will begin in the new building in September 2022.

The Food Bank and Social Supermarket, 'The Bridge Pantry', continued to be very busy throughout the year and will move to the new premises later in 2022.

We are again grateful to God for His faithfulness throughout the year and for the amazing provision of our new premises which are located on a visible site, close to Banbridge town centre. We believe this new location will help us to reach and help more people in our community.

Report of the Trustees
for the Year Ended 31 August 2022

OBJECTIVES AND ACTIVITIES

Public benefit

1) The advancement of the Christian religion by the proclamation and furtherance of the Gospel of God concerning His son Jesus Christ the Lord and preaching and teaching of the Word of God by the church in accordance with the Statement of Faith approved by the members from time to time. The direct benefit which flows from this purpose is that peoples lives will be changed for the better in terms of personal well being, having a sense of belonging and purpose in life. These benefits are evidenced through visible results of lives transformed and people living with purpose and destiny and finding areas to serve others. No harm or possibility of harm flows from this purpose. The charity's beneficiaries are all members of the general public from babies to children, youth and adults of all ages. There is no private benefit flowing from this purpose.

2) The relief of any person who is in charitable need. The direct benefit which flows from this purpose is that people with physical, emotional and spiritual needs will be supported and given help. These benefits will be evidenced through practical help given and spiritual counsel offered resulting in improved circumstances and transformed lives. No harm or possibility of harm flows from this purpose. The charity's beneficiaries are all members of the general public from babies to children, youth and adults of all ages. There is no private benefit flowing from this purpose.

3) The promotion of education for the public benefit. The direct benefit which flows from this purpose is improved knowledge and life skills from teaching the Word of God and biblical principles which affect all areas of life. These benefits will be evidenced through regular teaching at church and through our Evening College, resulting in individuals having improved knowledge and understanding of the Word of God and out working this in a practical way. No harm or possibility of harm flows from this purpose. The charity's beneficiaries are all aspects of the general public from babies to children, youth and adults of all ages. There is no private benefit flowing from this purpose.

4) Such other charitable purposes as are recognised as such under the laws of Northern Ireland consistent with the object set out in purpose (1) above. The direct benefit which flows from this purpose is the provision to develop existing charitable purposes and also future charitable purposes which will benefit individuals resulting in transformed lives and the ability to further help those in need in our society and beyond. These benefits will be evidenced through new opportunities to reach out and help people in various forms of need, resulting in improved circumstances and transformed lives. No harm or possibility of harm flows from this purpose. The charity's beneficiaries are all members of the general public from babies to children, youth and adults of all ages.

The trustees confirm that they have complied with the duties to have regard to the Charity Commission Northern Ireland guidance on public benefit.

FINANCIAL REVIEW

Financial position

The charity has made a loss in the year of £26,656 (2021 Loss of £7,715) on its unrestricted fund and a surplus of £12,856 (2021 Surplus of £13,058) on its restricted funds.

Reserves policy

The unrestricted reserves of -£17,511 (2021 £9,145) are less than desired but deemed sufficient to meet the working capital requirements of the charity. The strategy is to build reserves through operating surpluses. The restricted building reserves of £27,344 (2021 £13,286) is to be used to purchase or renovate a property for the charity in the future while the restricted foodbank reserves of £19,763 (2021 £20,965) is to be used for providing a foodbank to the community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Report of the Trustees
for the Year Ended 31 August 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

NI612550 (Northern Ireland)

Registered Charity number

101897

Registered office

17-19 Church Square
Banbridge
Co. Down
BT32 4AP

Trustees

Mrs J A McGreevy Hr Business Partner
M K Oman Company Director
Ms J Graham Company Director
B J Somerville Pastor

Independent Examiner

Eunan Kerlin
Aiken & Co LLP
Chartered Accountants
Building 2
The Sidings
Antrim Road
Lisburn
Co. Antrim
BT28 3AJ

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

Approved by order of the board of trustees on 19 July 2023 and signed on its behalf by:

Mrs J A McGreevy - Trustee

Independent Examiner's Report to the Trustees of
Grace Generation

I report on the accounts of the company for the year ended 31 August 2022, which are set out on pages five to thirteen.

Respective responsibilities of charity trustees and examiner

As the charity's trustees (and also the 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.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 65 of the Charities Act
- follow the procedures laid down in the general Directions given by the Charity Commission for Northern Ireland under Section 65(9)(b) of the Charities Act
- state whether particular matters have come to my attention.

Basis of the independent examiner's report

I have examined your charity accounts as required under Section 65 of the Charities Act and my examination was carried out in accordance with the general Directions given by the Charity Commission for Northern Ireland under Section 65(9)(b) of the Charities Act. The examination included a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as charity trustees concerning any such matters.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. That accounting records were not kept in accordance with Section 386 of the Companies Act 2006
2. That the accounts do not accord with those accounting records
3. That the accounts do not comply with the accounting requirements of Section 396 of the Companies Act 2006 and with the methods and principles of the 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
4. That there is further information needed for a proper understanding of the accounts to be reached.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission for Northern Ireland, I have found no matters that require drawing to your attention.

Eunan Kerlin
The 14.

Aiken & Co LLP
Chartered Accountants
Building 2
The Sidings
Antrim Road
Lisburn
Co. Antrim
BT28 3AJ

15 August 2023

Grace Generation

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	<u>160,429</u>	<u>43,518</u>	<u>203,947</u>	<u>212,664</u>
EXPENDITURE ON					
Charitable activities	3				
Sisterhood		1,291	-	1,291	-
Charitable events		16,317	-	16,317	18,104
Premises Costs		60,612	2,231	62,843	66,870
Repairs & Maintenance		782	400	1,182	48
Accountancy fees		1,140	-	1,140	-
Ministry & support staff costs		100,473	9,296	109,769	103,246
Donations to missions & charities		6,272	18,078	24,350	9,265
Foodbank		(658)	657	(1)	7,829
Other		856	-	856	1,959
Total		<u>187,085</u>	<u>30,662</u>	<u>217,747</u>	<u>207,321</u>
NET INCOME/(EXPENDITURE)		(26,656)	12,856	(13,800)	5,343
RECONCILIATION OF FUNDS					
Total funds brought forward		9,145	34,251	43,396	38,053
TOTAL FUNDS CARRIED FORWARD		<u>(17,511)</u>	<u>47,107</u>	<u>29,596</u>	<u>43,396</u>

The notes form part of these financial statements

Balance Sheet
31 August 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	8	(2,132)	18,380	16,248	-
CURRENT ASSETS					
Debtors	9	9,301	-	9,301	9,301
Cash at bank and in hand		<u>18,648</u>	<u>42,175</u>	<u>60,823</u>	<u>55,746</u>
		27,949	42,175	70,124	65,047
CREDITORS					
Amounts falling due within one year	10	(23,328)	(13,448)	(36,776)	(1,651)
NET CURRENT ASSETS		<u>4,621</u>	<u>28,727</u>	<u>33,348</u>	<u>63,396</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,489	47,107	49,596	63,396
CREDITORS					
Amounts falling due after more than one year	11	(20,000)	-	(20,000)	(20,000)
NET ASSETS		<u>(17,511)</u>	<u>47,107</u>	<u>29,596</u>	<u>43,396</u>
FUNDS	13				
Unrestricted funds				(17,511)	9,145
Restricted funds				<u>47,107</u>	<u>34,251</u>
TOTAL FUNDS				<u>29,596</u>	<u>43,396</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2022 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.

Balance Sheet - continued
31 August 2022

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 19 July 2023 and were signed on its behalf by:

J A McGreevy - Trustee

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Grace Generation

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	165,827	161,390
Gift aid	19,409	23,524
Foodbank	18,711	27,750
	<u>203,947</u>	<u>212,664</u>

3. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 4)	Totals
	£	£	£
Sisterhood	1,291	-	1,291
Charitable events	16,317	-	16,317
Premises Costs	62,843	-	62,843
Repairs & Maintenance	1,182	-	1,182
Accountancy fees	-	1,140	1,140
Ministry & support staff costs	109,769	-	109,769
Donations to missions & charities	24,350	-	24,350
Foodbank	(1)	-	(1)
	<u>215,751</u>	<u>1,140</u>	<u>216,891</u>

4. SUPPORT COSTS

	Governance costs
	£
Other resources expended	856
Accountancy fees	1,140
	<u>1,996</u>

5. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Depreciation - owned assets	4,062	1,062
Other operating leases	<u>44,084</u>	<u>49,491</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

7. STAFF COSTS

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

	2022	2021
Staff	<u>7</u>	<u>6</u>

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

8. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Totals £
COST			
At 1 September 2021	55,451	24,233	79,684
Additions	<u>9,649</u>	<u>10,661</u>	<u>20,310</u>
At 31 August 2022	<u>65,100</u>	<u>34,894</u>	<u>99,994</u>
DEPRECIATION			
At 1 September 2021	55,451	24,233	79,684
Charge for year	<u>1,930</u>	<u>2,132</u>	<u>4,062</u>
At 31 August 2022	<u>57,381</u>	<u>26,365</u>	<u>83,746</u>
NET BOOK VALUE			
At 31 August 2022	<u>7,719</u>	<u>8,529</u>	<u>16,248</u>
At 31 August 2021	<u>-</u>	<u>-</u>	<u>-</u>

Grace Generation

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

9. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Other debtors	<u>9,301</u>	<u>9,301</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 12)	31,311	-
Trade creditors	800	646
Social security and other taxes	2,681	125
Accruals and deferred income	<u>1,984</u>	<u>880</u>
	<u>36,776</u>	<u>1,651</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Other loans (see note 12)	<u>20,000</u>	<u>20,000</u>

12. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	<u>31,311</u>	-
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>20,000</u>	<u>20,000</u>

13. MOVEMENT IN FUNDS

	At 1.9.21	Net movement in funds	At 31.8.22
	£	£	£
Unrestricted funds			
General fund	9,145	(26,656)	(17,511)
Restricted funds			
Building Fund	13,286	14,058	27,344
Foodbank	<u>20,965</u>	<u>(1,202)</u>	<u>19,763</u>
	<u>34,251</u>	<u>12,856</u>	<u>47,107</u>
TOTAL FUNDS	<u>43,396</u>	<u>(13,800)</u>	<u>29,596</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

13. 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	160,429	(187,085)	(26,656)
Restricted funds			
Building Fund	23,737	(9,679)	14,058
Foodbank	19,781	(20,983)	(1,202)
	<u>43,518</u>	<u>(30,662)</u>	<u>12,856</u>
TOTAL FUNDS	<u>203,947</u>	<u>(217,747)</u>	<u>(13,800)</u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	16,860	(7,715)	9,145
Restricted funds			
Building Fund	12,150	1,136	13,286
Foodbank	9,043	11,922	20,965
	<u>21,193</u>	<u>13,058</u>	<u>34,251</u>
TOTAL FUNDS	<u>38,053</u>	<u>5,343</u>	<u>43,396</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	183,777	(191,492)	(7,715)
Restricted funds			
Building Fund	1,136	-	1,136
Foodbank	27,751	(15,829)	11,922
	<u>28,887</u>	<u>(15,829)</u>	<u>13,058</u>
TOTAL FUNDS	<u>212,664</u>	<u>(207,321)</u>	<u>5,343</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.20 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	16,860	(34,371)	(17,511)
Restricted funds			
Building Fund	12,150	15,194	27,344
Foodbank	9,043	10,720	19,763
	<u>21,193</u>	<u>25,914</u>	<u>47,107</u>
TOTAL FUNDS	<u>38,053</u>	<u>(8,457)</u>	<u>29,596</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	344,206	(378,577)	(34,371)
Restricted funds			
Building Fund	24,873	(9,679)	15,194
Foodbank	47,532	(36,812)	10,720
	<u>72,405</u>	<u>(46,491)</u>	<u>25,914</u>
TOTAL FUNDS	<u>416,611</u>	<u>(425,068)</u>	<u>(8,457)</u>

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2022.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.