

DIVINE GRACE BAPTIST CHURCH
Trustees Report and Financial Statements
for the year ended 31 March, 2021

Charity Number: 1109041

DIVINE GRACE BAPTIST CHURCH

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DIVINE GRACE BAPTIST CHURCH

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH, 2021

Trustees Revd Teye Akangbe
 Nora Roberts
 Osahon Igiebor
 Christopher Efeharoro

Principal Office: 2nd Floor
 Anglesea Mews
 London
 SE18 6ER

Independent Examiner: Adekunle Fawunmi
 Fabek Associates & Co Ltd
 Certified Chartered Accountants
 32 Dewey Road
 Dagenham
 Essex
 RM10 8AR

Charity Number: 1109041

DIVINE GRACE BAPTIST CHURCH
TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH, 2021

The Trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The Trustees, for the purposes of the Charities Act 1993 as amended 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 Charity is governed by a constitution.

Achievements:

- We had series of charity activities during the above time among which are the attending to the homeless and rough sleepers.
- Foods and warm clothes were handed to the needy.
- The widows and the elderlies in the church were visited. We prayed with them and distributed hampers which includes some food items and beverages to them.
- We had series of evangelism outreach where we shared the word of God with people around
- We had inter-cultural Sunday where we had people of different background dressing in their cultural attire and we sang in different dialects.
- We invited couple of Pastors to preach in our church for more spiritual development for our members.
- We had Christmas Carol and end of the year get-together where we thank God for the year.

IMPACT OF COVID-19

The impact of Covid-19 was felt much than last year as most of our services were conducted online through Zoom due to social distancing.

Directors

The following persons served as directors during the year:

Revd Toye Akangbe - Chair of the Board

Mr Osahon Igiebor

Mrs Nora Roberts

Mr Christopher Efeharoro

GOVERNANCE AND INTERNAL CONTROL

A Board of Trustees governs the Charity. New Trustees are selected by the Board of Trustees and are subject to re-election every five years. At 31 March, 2021 the Board had a membership of four people. The Board meets three times a year to agree key policy decisions, set the strategy for the charity and oversee its performance. At present the Board has committee members who are responsible for the day to day activities of the charity. None of the committee members is being remunerated for being a committee member.

All Trustees receive the handbook for Trustees' provided through the Charity Commission. Each Trustee will have an induction programme by other Trustees and receive an information pack on the Charity and its finances. Beyond this the Charity follows the code of practice for governance

produced by the Governance Hub. Company law requires the Trustees to prepare financial statements for each financial year, which comply with the Charities Act 1993 as amended.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

They include:

- i. A strategic plan and annual budget approval by the Trustees
- ii. Regular consideration by the Trustees of financial results, in particular variance from budget
- iii. Delegation of authority and segregation of duties.

STATEMENT OF TRUSTEES RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period.

In preparing this financial statement, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 its activities.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Charities Act 2011 as amended. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

DISCLOSURE OF INFORMATION TO EXAMINER

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant information of which the Charity's examiner is unaware; and each trustee has taken all the steps that he/she ought to have taken as a trustee to

make himself/ herself aware of any relevant information and to establish that the Charity's examiner is aware of that information.

EXAMINER

In line with the provision exemption in the Charities Act 2011 as amended, the charity decided to retain the services of its independent examiner Mr Adekunle Fawunmi.

Signed *Toye Akangbe*

Revd Toye Akangbe

Chair of the Trustees

Date:

DIVINE GRACE BAPTIST CHURCH

INDEPENDENT EXAMINERS REPORT TO THE MEMBERS OF DIVINE GRACE BAPTIST CHURCH

We report on the accounts of the Trust for the year ended 31 March, 2021, which are set out on Pages 9 to 17.

We have examined the financial statements of the Divine Grace Baptist Church (the charity) for the year ended 31 March, 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies, the financial reporting framework that has been applied in their preparation, its applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 March, 2021 and of its incoming resources and application of resources for the year ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Charities Act 2011.

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 43(2) of the Charities Act 2011 (the 1993 Act)) and that an independent examination is needed. It is our responsibility to:

- examine the accounts (under section 43(3)(a) of the 1993 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under Section 43(7)(b) of the 1993 Act); and
- To state whether particular matters have come to our attention.

Basis of independent examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with our examination, no matter has come to our attention:

- (1) Which gives us reasonable cause to believe that in any material respect the requirements
- to keep accounting records in accordance with section 41 of the 2011 Act; and
 - To prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act as amended.

Have not been met; or

- (2) To which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our examination of the accounts has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an examiner's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for the independent examination work, or for the opinions we have formed.

Signed this 10th Day of January 2021

Jidefawunmi

Adekunle Fawunmi

Fabek Associates and Co Ltd
Certified Chartered Accountants
32 Dewey Road
Dagenham
Essex
RM10 8AR

**DIVINE GRACE BAPTIST CHURCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH, 2021**

	Notes	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Income & Endowments from:					
Donations & Legacies	3	100,146	-	100,146	97,425
Investments		2	-	2	2
Total income		100,148	-	100,148	97,427
Expenditure on:					
Charitable activities	4	60,666	-	60,666	99,381
Total expenditure		60,666	-	60,666	99,381
Net income/(expenditure) for the year		39,482	-	39,482	(1,954)
Net income after transfers		39,482	-	39,482	(1,954)
Net movement in funds		39,482	-	39,482	(1,954)
Reconciliation of funds:-					
Total funds brought forward		8,819	-	8,819	10,773
Total funds carried forward		48,301	-	48,301	8,819

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

✓ A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations

	Prior Year Unrestricted Funds 2020 £	Prior Year Restricted Funds 2020 £	Prior Year Total Funds 2020 £
Income from:			
Donations & Legacies	97,425	-	97,425
Investments	2	-	2
Total income	97,427	-	97,427
Expenditure on:			
Charitable activities	99,381	-	99,381
Total expenditure	99,381	-	99,381
Net expenditure for the year	(1,954)	-	(1,954)
Net income after transfers	(1,954)	-	(1,954)
Net movement in funds	(1,954)	-	(1,954)
Reconciliation of funds:-			
Total funds brought forward	10,773	-	10,773
Total funds carried forward	8,819	-	8,819

All activities derive from continuing operations

DIVINE GRACE BAPTIST CHURCH - Resources applied in the year ended 31 March 2021 towards fixed assets for Charity use:-

	2021 £	2020 £
Funds generated in the year as detailed in the SOFA	39,482	(1,954)
Resources applied on functional fixed assets	-	(5,006)
Net resources available to fund charitable activities	39,482	(6,960)

Movements in revenue and capital funds for the year ended 31 March 2021

Revenue accumulated funds

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Last year Total Funds 2020 £
Accumulated funds brought forward	8,819	-	8,819	10,773
Recognised gains and losses before transfers	39,482	-	39,482	(1,954)
Closing revenue funds	48,301	-	48,301	8,819
Summary of funds	Unrestricted and Designated funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Last Year Total Funds 2020 £
Revenue accumulated funds	48,301	-	48,301	8,819

DIVINE GRACE BAPTIST CHURCH
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH, 2021

	Notes	2021 £	2020 £
Current assets			
Debtors	5	5,583	6,245
Cash at bank and in hand		43,218	3,024
Total current assets		<u>48,801</u>	<u>9,269</u>
Creditors: amounts falling due within one year	6	<u>(500)</u>	<u>(450)</u>
Net current assets		48,301	8,819
The total net assets of the charity		<u>48,301</u>	<u>8,819</u>
The total net assets of the charity are funded by the funds of the charity, as follows:-			
Unrestricted Funds			
Unrestricted Revenue Funds	7	48,301	8,819
Total charity funds		<u>48,301</u>	<u>8,819</u>

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

Revd Teye Ajangbe

Trustee

Approved by the board of trustees on 10 January 2022

DIVINE GRACE BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2021

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 and the Charities Act 2011).

The financial statements have been prepared to give a true and fair view and 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 Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Black and Minority Ethnic Community Partnership meet the definition of public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going Concern

There are no material uncertainties regarding the charity's ability to continue. Therefore, the accounts are prepared on a going concern basis.

1.3 Income

All income is recognised once the Charity has entitlement to the income. It is probable that the income will be received and the amount of income can be measured reliably. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.4 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 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 allocated on the portion of asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- not depreciated
Long term leasehold property	- 100 years
Fixtures and Fittings	- 5 years
Office Equipment	- 7 years

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and 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 or similar account.

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipated it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle obligation. Where the effect of the time is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.0 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3.0 Income from Donations and Legacies

Donations and Legacies

	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Donations and gifts from individuals				
Tithes, Offerings	71,458	-	71,458	97,425
Total donations and gifts from	71,458	-	71,458	97,425
Covid Job Retention Fund				
Covid Job Retention Grant	28,688	-	28,688	-
Total Covid Job Retention Fund	28,688	-	28,688	-
Total Donations and Legacies	100,146	-	100,146	97,425

4. Expenditure on Charitable Activities

	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Gross wages and salaries - charitable activities	40,329	-	40,329	41,359
Defined contribution pension costs - charitable activities	270	-	270	-
Travel and Subsistence - Charitable Activities	-	-	-	440
Charitable activities	8,600	-	8,600	39,033
Zoom software	172	-	172	-
Covid-19 PPE	500	-	500	-
Total direct spending	49,871	-	49,871	80,832
Support costs for charitable activities				
	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Volunteer costs				
Volunteers' expenses	-	-	-	600
Premises Expenses				
Rent payable under operating leases	6,150	-	6,150	9,600
Administrative overheads				
Stationery and printing	-	-	-	220
Subscriptions to periodicals	-	-	-	350
Membership subscriptions	369	-	369	198
Equipment expenses	814	-	814	-
Licences & Permits	735	-	735	-

Vehicle expenses	126	-	126	1,080
Insurance	1,481	-	1,481	3,040

Professional fees paid to the Auditor or Independent Examiner in addition to audit and examination fees

Accountancy fees other than examination or audit fees	620	-	620	619
Depreciation & Amortisation in total for the period	-	-	-	2,392

Total support costs	10,295	-	10,295	18,099
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Other Expenditure - Governance costs

	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Independent Examiner's fees	500	-	500	450
Total Governance costs	500	-	500	450

Total Charitable expenditure

	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Total direct spending	49,871	-	49,871	80,832
Total support costs	10,295	-	10,295	18,099
Total Governance costs	500	-	500	450
Total charitable expenditure	60,666	-	60,666	99,381

5. Debtors

	2021 £	2020 £
Other debtors	<u>5,583</u>	<u>6,245</u>

6.

Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	<u>500</u>	<u>450</u>

7. Charity Funds

Particulars of how particular funds are represented by assets and liabilities

At 31 March 2021	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Current Assets	48,801		-	48,801
Current Liabilities	(500)	-	-	(500)
	<u>48,301</u>	<u>-</u>	<u>-</u>	<u>48,301</u>
At 1 April 2020	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Current Assets	9,269	-	-	9,269
Current Liabilities	(450)	-	-	(450)
	<u>8,819</u>	<u>-</u>	<u>-</u>	<u>8,819</u>

Change in total funds over the year analysed by individual funds

	Funds brought forward from 2020 £	Movement in funds in 2021 £	Transfers between funds in 2021 £	Funds carried forward to 2022 £
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	8,819	39,482	-	48,301
Total unrestricted and designated funds	<u>8,819</u>	<u>39,482</u>	<u>-</u>	<u>48,301</u>

8. There is no Related Party transaction to be disclosed.

9. There is no post balance sheet event to be disclosed.