

Charity registration number 1134634

Company registration number 07163237 (England and Wales)

GRACE CHRISTIAN TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 20 FEBRUARY 2023



Caladine

Chartered Certified Accountants

GRACE CHRISTIAN TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A Mayo Mr I Mayo Mrs J Mayo
Charity number	1134634
Company number	07163237
Registered office	Otford Manor Otford Kent TN15 6XF
Independent examiner	John Caladine FCCA CTA FCIE Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	Metro Bank One Southampton Row London WC1B 5HA

GRACE CHRISTIAN TRUST

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GRACE CHRISTIAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE PERIOD ENDED 20 FEBRUARY 2023

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 20th February 2023.

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

The objectives of the charity are to advance the Christian faith and also to relieve sickness, hardship and promote and preserve good health.

The trustees of the Grace Christian Trust have the conviction that the message of historical Christianity - the news that Jesus Christ is the One who is God come to us, who died for a broken humanity, rose from the dead and brings forgiveness and life in all its fulness to those who trust Him - is the most wonderful message that could be communicated. Supporting the sharing of this message, through words and actions, is the overarching aim of the Grace Christian Trust.

Public benefit

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

Achievements and performance

Significant activities and achievements against objectives

Since its founding in 2010, among other projects, the trust has:

- bought land intended for a new building for a church, helped get relevant building permissions, organised demolition of the existing buildings and then donated the land, ready for construction to that local church, subsequently making further donations to see the completion of the project;
- made donations to a church for the purchase of a building to use for Christian Conferences;
- made grants to arts groups who produce materials to communicate the Christian faith;
- made grants to buy humanitarian aid for families in financial difficulties in the Middle East.

In the year covered by this report, the trust identified a local problem regarding housing for vulnerable families. A house was purchased near to South Croydon and made available at a highly discounted rent for a period of three years to a family in particular need. The family moved into the house in May 2022 and the aim of the trust is that this mid-term solution (three years) will enable the family to get back on their feet financially and become self sufficient ready to purchase for themselves or afford commercial rent levels.

In addition, in the year covered by this report, the trustees have approved:

- a grant to a church on the outskirts of Paris to help to share the Christian faith in their community;
- a grant to help a Christian camp project to further develop their infrastructure.
- grants to help a church in the Ukraine to serve their community with humanitarian aid;
- a grant to buy humanitarian aid for families in financial difficulties in the Middle East;
- micro-grants to support a Christian worker in Slovakia;
- micro-grants to help a church on the south edge of Croydon develop materials to invite guests to their events and help new followers of Jesus Christ to grow in their faith.

For the year that follows, the trustees have identified a further local problem regarding housing whereby Ukrainian refugees are often prevented from renting by commercial landlords. By partnering with Tandridge Council, the trust aims to find and provide accommodation to help some Ukrainian families who are in such a situation.

Financial review

Income for the year increased to £623,206 (2022: £210,535) primarily to support the purchase of a property to urgently house a needy family. As a result total assets have increased to £1,433,685 (2022: £918,038).

GRACE CHRISTIAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 20 FEBRUARY 2023

Reserves policy

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the period.

Structure, governance and management

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.

The trustees, who are also the directors for the purpose of company law, and who served during the period and up to the date of signature of the financial statements were:

Mr A Mayo
Mr I Mayo
Mrs J Mayo

Recruitment and appointment of trustees

New Trustees are recruited as and when the current trustees deem it necessary. Any new trustees are appointed by passing an ordinary resolution at a general meeting of the company.

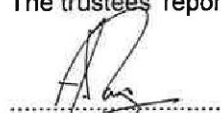
Organisational structure

Currently, the day to day management of the charity is undertaken solely by the trustees of the charity.

Induction and training of trustees

As part of the induction process new trustees are provided with a copy of the "Statement of Beliefs" that the Grace Christian Trust operates under. In addition new trustees are provided with Charity Commission documentation so that they have a full understanding of their responsibilities as trustees.

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



Mr A Mayo
Trustees

Date: 18th December 2023

GRACE CHRISTIAN TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF GRACE CHRISTIAN TRUST

I report to the trustees on my examination of the financial statements of Grace Christian Trust (the trust) for the period ended 20 February 2023.

Responsibilities and basis of report

As the trustees of the trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the trust's financial statements carried out under section 145 of the Charities Act 2011 (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

Since the trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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 trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



John Caladine FCCA CTA FCIE

Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Dated: 18 December 2023

GRACE CHRISTIAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 20 FEBRUARY 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	3	600,000	200,000
Investments	4	23,206	10,535
Total income		<u>623,206</u>	<u>210,535</u>
Expenditure on:			
Raising funds	5	5,665	6,658
Charitable activities	6	57,431	50,127
Total expenditure		<u>63,096</u>	<u>56,785</u>
Net gains/(losses) on investments	11	<u>(44,463)</u>	<u>13,601</u>
Net income and movement in funds		<u>515,647</u>	<u>167,351</u>
Reconciliation of funds:			
Fund balances at 1 March 2022		<u>918,038</u>	<u>750,687</u>
Fund balances at 20 February 2023		<u><u>1,433,685</u></u>	<u><u>918,038</u></u>

The statement of financial activities includes all gains and losses recognised in the period. All income and expenditure derive from continuing activities.

GRACE CHRISTIAN TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 20 FEBRUARY 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Property, plant and equipment	13		596,288		-
Investments	14		638,606		659,717
			<u>1,234,894</u>		<u>659,717</u>
Current assets					
Trade and other receivables	15	501		-	
Cash at bank and in hand		202,306		260,359	
		<u>202,807</u>		<u>260,359</u>	
Current liabilities	16	4,016		2,038	
		<u>4,016</u>		<u>2,038</u>	
Net current assets			198,791		258,321
Total assets less current liabilities			<u>1,433,685</u>		<u>918,038</u>
The funds of the trust					
Unrestricted funds			1,433,685		918,038
			<u>1,433,685</u>		<u>918,038</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 20 February 2023.

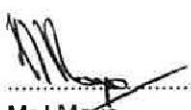
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

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

The financial statements were approved by the trustees on 18th December 2023


 Mr A Mayo
 Trustees


 Mr I Mayo
 Trustees

Company registration number 07163237 (England and Wales)

GRACE CHRISTIAN TRUST

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 20 FEBRUARY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	19		546,803		145,253
Investing activities					
Purchase of property, plant and equipment		(604,710)		-	
Purchase of investments		(119,652)		(88,181)	
Proceeds from disposal of investments		96,300		80,202	
Investment income received		23,206		10,535	
Net cash (used in)/generated from investing activities			(604,856)		2,556
Financing activities					
Repayment of borrowings		-		(2,847)	
Net cash used in financing activities			-		(2,847)
Net (decrease)/increase in cash and cash equivalents			(58,053)		144,962
Cash and cash equivalents at beginning of period			260,359		115,397
Cash and cash equivalents at end of period			202,306		260,359

GRACE CHRISTIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 20 FEBRUARY 2023

1 Accounting policies

Company information

Grace Christian Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Otford Manor, Otford, Kent, TN15 6XF.

1.1 Reporting period

These accounts are for the period from 1 March 2022 to 20 February 2023, which is slightly short of 12 months. For this reason, the comparative figures may not be entirely comparable.

1.2 Accounting convention

The financial statements have been prepared in accordance with the trust's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust 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.

1.4 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 or grantors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.5 Income

Income is recognised when the trust 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 trust 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 trust 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.

GRACE CHRISTIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 20 FEBRUARY 2023

1 Accounting policies (Continued)

1.6 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.

1.7 Property, plant and equipment

Property, plant and equipment 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 basis:

Freehold land and buildings	2%
Fixtures and fittings	33%

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of non-current assets

At each reporting end date, the trust 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).

1.10 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.

1.11 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

GRACE CHRISTIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 20 FEBRUARY 2023

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

1.12 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 trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the trust'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 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	600,000	200,000

GRACE CHRISTIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 20 FEBRUARY 2023

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	10,000	-
Income from listed investments	8,499	6,646
Interest receivable	4,707	3,889
	<u>23,206</u>	<u>10,535</u>

5 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Investment management	<u>5,665</u>	<u>6,658</u>

6 Expenditure on charitable activities

	Charitable expenditure 2023 £	Charitable expenditure 2022 £
Direct costs		
Depreciation and impairment	8,422	-
Property costs	2,360	-
Bank Charges	125	70
Foreign exchange (gains)/losses	(1,368)	(532)
Sundry expenses	-	26
	<u>9,539</u>	<u>(436)</u>
Grant funding of activities (see note 7)	45,437	49,663
Share of support and governance costs (see note 8)		
Governance	<u>2,455</u>	<u>900</u>
	<u>57,431</u>	<u>50,127</u>
Analysis by fund		
Unrestricted funds	<u>57,431</u>	<u>50,127</u>

GRACE CHRISTIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 20 FEBRUARY 2023

7 Grants payable

	2023	Charitable expenditure 2022
	£	£
Grants to institutions:		
Church building project - outside UK	-	33,264
Micro grants to local UK churches	508	691
Humanitarian aid grant to a church in the Middle East	32,660	4,051
Grain of Mustard Seed School	8,511	-
Humanitarian aid to Ukraine	1,450	-
	<u>43,129</u>	<u>38,006</u>
Grants to individuals	2,308	11,657
	<u>45,437</u>	<u>49,663</u>

8 Support costs allocated to activities

	2023	2022
	£	£
Governance costs	<u>2,455</u>	<u>900</u>
Analysed between:		
Charitable expenditure	<u>2,455</u>	<u>900</u>
	<u>2023</u>	<u>2022</u>
	£	£
Governance costs comprise:		
Accountancy	2,160	900
Legal and professional	295	-
	<u>2,455</u>	<u>900</u>

9 Trustees

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

Total donations from trustees and their related parties amounted to £600,000.

GRACE CHRISTIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 20 FEBRUARY 2023

10 Employees

The average monthly number of employees during the period was:

	2023 Number	2022 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	-	-

11 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	(38,724)	1,818
Sale of investments	(5,739)	11,783
	(44,463)	13,601

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

GRACE CHRISTIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 20 FEBRUARY 2023

13 Property, plant and equipment

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
Additions	603,589	1,121	604,710
At 20 February 2023	603,589	1,121	604,710
Depreciation and impairment			
Depreciation charged in the period	8,048	374	8,422
At 20 February 2023	8,048	374	8,422
Carrying amount			
At 20 February 2023	595,541	747	596,288

Freehold land and buildings contains a residential property purchased by the charity during the year.

This is being rented out to families in need, at a below market rate level of rent. As such, it is held for the fulfillment of charitable purposes, rather than investment returns, and hence is included as a tangible fixed asset in use.

14 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 March 2022	659,717
Additions	119,652
Valuation changes	(38,724)
Disposals	(102,039)
At 20 February 2023	638,606
Carrying amount	
At 20 February 2023	638,606
At 28 February 2022	659,717

15 Trade and other receivables

	2023 £	2022 £
Amounts falling due within one year:		
Prepayments and accrued income	501	-

GRACE CHRISTIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 20 FEBRUARY 2023

16 Current liabilities

	2023 £	2022 £
Accruals and deferred income	4,016	2,038

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 March 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 20 February 2023 £
General funds	918,038	623,206	(63,096)	(44,463)	1,433,685
Previous year:	At 1 March 2021 £	Incoming resources £	Resources expended £	Gains and losses £	At 28 February 2022 £
General funds	750,687	210,535	(56,785)	13,601	918,038

18 Related party transactions

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

19 Cash generated from operations

	2023 £	2022 £
Surplus for the period	515,647	167,351
Adjustments for:		
Investment income recognised in statement of financial activities	(23,206)	(10,535)
Loss/(gain) on disposal of investments	5,739	(11,783)
Fair value gains and losses on investments	38,724	(1,818)
Depreciation and impairment of property, plant and equipment	8,422	-
Movements in working capital:		
(Increase) in trade and other receivables	(501)	-
Increase in trade and other payables	1,978	2,038
Cash generated from operations	546,803	145,253

20 Analysis of changes in net funds

The trust had no material debt during the year.