

**REGISTERED COMPANY NUMBER: 07501715 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1140748**

**Report of the Trustees and**  
**Unaudited Financial Statements for the Year Ended 31 March 2021**  
**for**  
**GRACE COMMUNITY CHURCH PORTHCAWL**

Martin Waterworth Limited  
Chartered Accountants  
Bronwylfa  
Llangunnor Road  
Carmarthen  
Dyfed  
SA31 2PB

**GRACE COMMUNITY CHURCH PORTHCAWL**

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**for the year ended 31 March 2021**

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## **GRACE COMMUNITY CHURCH PORTHCAWL**

### **Report of the Trustees** **for the year ended 31 March 2021**

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 March 2021. 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 Charity's principal activities are for the public benefit: to advance the Christian faith and to fulfil such other purposes that are exclusively charitable. The main objects and activities for the period were the provision of public worship, the provision of human resources and services to the community and the alleviation of hardship through various means, as well as support for church planting.

##### **Public benefit**

The activities undertaken are monitored closely by staff and trustees to ensure that the recipients of the charity's services and facilities have an experience in keeping with its Christian aims and ethos.

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and planning future activities.

##### **Volunteers**

Our thanks go out to all those who have volunteered their time and services to help ensure that Grace Community Church meets its aims and objectives.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

Throughout the past year the charity has continued to advance the Christian faith in Porthcawl and to provide services to the local community, including financial grants to people in Porthcawl who are undergoing hardship, and through the continued provision of services like the Foodbank scheme.

The charity has continued to support church planting, funded by specific donations and various grants.

The charity continues to have a strong involvement with schools, care homes and other community-based organisations within Porthcawl.

The organisation continues to support the work of several individuals worldwide who seek to advance the Christian faith in different parts of the world.

A more detailed overview of the Charity is available on the Charity's website.

#### **FINANCIAL REVIEW**

##### **Financial position**

Out of the grant of £27,520 from World Challenge received in the year to 31 March 2020, £7000 was used in the same year to assist a church plant in St Brides Minor. No further funds have been spent, and there is balance of funds of £20,520 to use in future years. This has been treated as a restricted fund.

The church plant in St Brides Minor has been treated as a restricted fund, and has built up its net funds to £20,292 during the year. Support has come by way of donations and grants.

Regarding the Charity's unrestricted activities, income was higher than its expenditure for the year by £7,053.

We continue to segment 13% of our income to support others whose aims and values align with those of our Charity. Amounts set aside and not yet spent are shown as separate unrestricted reserves.

Costs are continuously kept to a minimum, focusing resources on human resources and on community-orientated work and embracing as much voluntary support as possible.

## **GRACE COMMUNITY CHURCH PORTHCAWL**

### **Report of the Trustees** **for the year ended 31 March 2021**

#### **FINANCIAL REVIEW**

##### **Principal funding sources**

Funding is received mainly from supporting individuals and related gift aid claims, supplemented by grants (see note 2).

##### **Reserves policy**

Reserves are held sufficiently to uphold the objects of the charity without putting it in financial jeopardy. Out of the main general reserves a percentage is set aside for Funds for Outward Giving for overseas projects, UK Support including evangelism and for Pastoral care and the Needy. It is the intention that all of these separate funds will be paid out for these causes on Christian grounds. See note 11 for movements on these funds and how spent.

Any restricted funds are held in line with the conditions attached to its particular sources of funding until fully expended.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The organisation is a Christian Charity registered on 9th March 2011. The Charity is an incorporated company (registered 21st January, 2011) and is governed by Memorandum and Articles of Association.

##### **Recruitment and appointment of new trustees**

Thomas Clewer, Neil Matthews and Dr Joel Morris are current trustees. Trustees are appointed for ongoing terms, with new trustees to be appointed at a Special Meeting of trustees.

A team of elders, and a leadership team have been established to ensure that the charity's aims and needs are identified, and reflected through to the body of trustees.

##### **Organizational structure**

The organizational structure of Grace Community Church Porthcawl is comprised of two parts. A team of elders is responsible for the overall vision and direction of the Church. Key decisions on direction, pastoral matters, employment and financial policy will be dealt with here, and verified by the body of trustees. A Leadership Team is responsible for the dissemination and outworking of the charity's vision and aims on a practical level. This team is delegated to make the day to day decisions regarding the running of the charity.

##### **Induction and training of new trustees**

The trustees are familiar with the practical work of the Charity as they are updated on current progress in achieving the charities aims, financial reports and other information. All trustees, having been trustees upon inception, are more than familiar within the context in which the Charity operates.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

07501715 (England and Wales)

##### **Registered Charity number**

1140748

##### **Registered office**

25 Hilary Way  
Nottage  
Porthcawl  
CF36 3SE

##### **Trustees**

N Matthews  
T J E Clewer  
Dr J Morris

**GRACE COMMUNITY CHURCH PORTHCAWL**

**Report of the Trustees**  
**for the year ended 31 March 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Company Secretary**

Mrs A Milligan

**Independent Examiner**

Martin Waterworth Limited

Chartered Accountants

Bronwylfa

Llangunnor Road

Carmarthen

Dyfed

SA31 2PB

Approved by order of the board of trustees on 22 October 2021 and signed on its behalf by:



T J E Clewer - Trustee



**Independent Examiner's Report to the Trustees of  
Grace Community Church Porthcawl**

**Independent examiner's report to the trustees of Grace Community Church Porthcawl ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its 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 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

Martin Waterworth FCA  
Martin Waterworth Limited  
Chartered Accountants  
Bronwylfa  
Llangunnor Road  
Carmarthen  
Dyfed  
SA31 2PB

22 October 2021

**GRACE COMMUNITY CHURCH PORTHCAWL****Statement of Financial Activities**  
**for the year ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	72,529	28,973	101,502	105,390
Investment income	3	570	-	570	725
<b>Total</b>		<b>73,099</b>	<b>28,973</b>	<b>102,072</b>	<b>106,115</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Advancement of the Christian Faith		66,046	-	66,046	83,268
Church Planting		-	15,701	15,701	8,750
<b>Total</b>		<b>66,046</b>	<b>15,701</b>	<b>81,747</b>	<b>92,018</b>
<b>NET INCOME</b>		<b>7,053</b>	<b>13,272</b>	<b>20,325</b>	<b>14,097</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>61,744</b>	<b>27,540</b>	<b>89,284</b>	<b>75,187</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>68,797</b>	<b>40,812</b>	<b>109,609</b>	<b>89,284</b>

The notes form part of these financial statements

**GRACE COMMUNITY CHURCH PORTHCAWL**

**Statement of Financial Position**

**31 March 2021**

	Notes	31.3.21 £	31.3.20 £
<b>FIXED ASSETS</b>			
Tangible assets	7	5,113	2,723
<b>CURRENT ASSETS</b>			
Debtors	8	11,732	9,901
Cash at bank and in hand		94,332	79,001
		<u>106,064</u>	<u>88,902</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	(1,568)	(2,341)
<b>NET CURRENT ASSETS</b>		<u>104,496</u>	<u>86,561</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		109,609	89,284
<b>NET ASSETS</b>		<u>109,609</u>	<u>89,284</u>
<b>FUNDS</b>	11		
Unrestricted funds		68,797	61,744
Restricted funds		40,812	27,540
<b>TOTAL FUNDS</b>		<u>109,609</u>	<u>89,284</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 22 October 2021 and were signed on its behalf by:



T J E Clewer - Trustee

The notes form part of these financial statements



## **GRACE COMMUNITY CHURCH PORTHCAWL**

### **Notes to the Financial Statements** **for the year ended 31 March 2021**

#### **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.

#### **2. DONATIONS AND LEGACIES**

	Unrestricted funds	Restricted funds	31.3.21 Total funds	31.3.20 Total funds
	£	£	£	£
Donations	61,797	19,352	81,149	66,463
Gift aid	10,482	1,250	11,732	9,901
Grants	250	8,371	8,621	29,026
	<u>72,529</u>	<u>28,973</u>	<u>101,502</u>	<u>105,390</u>

## **GRACE COMMUNITY CHURCH PORTHCAWL**

### **Notes to the Financial Statements - continued** **for the year ended 31 March 2021**

#### **2. DONATIONS AND LEGACIES - continued**

Grants received, included in the above, are as follows:

	31.3.21	31.3.20
	£	£
Union CP Grant	4,121	1,506
World Challenge	-	27,520
Howard Foundation	4,000	-
WLF Tech Grant	500	-
	<u>8,621</u>	<u>29,026</u>

#### **3. INVESTMENT INCOME**

	Unrestricted funds	Restricted funds	31.3.21 Total funds	31.3.20 Total funds
	£	£	£	£
Rents received	550	-	550	700
Deposit account interest	20	-	20	25
	<u>570</u>	<u>-</u>	<u>570</u>	<u>725</u>

#### **4. NET INCOME/(EXPENDITURE)**

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

	31.3.21	31.3.20
	£	£
Depreciation - owned assets	<u>1,750</u>	<u>2,990</u>

#### **5. TRUSTEES' REMUNERATION AND BENEFITS**

Each of the trustees are related parties, but only T Clewer received any remuneration for his services as pastor of Grace Community Church. He received a gross salary of £24,205 and the charity contributed £1,936 for his pension arrangements.

##### **Trustees' expenses**

One trustee received expenses for travel and other costs amounting to £481 (2020: £2,200)

#### **6. STAFF COSTS**

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

	31.3.21	31.3.20
Pastoral	1	1
Ministerial support	3	2
Administrative support	1	1
	<u>5</u>	<u>4</u>

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

## GRACE COMMUNITY CHURCH PORTHCAWL

### Notes to the Financial Statements - continued for the year ended 31 March 2021

#### **7. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
<b>COST</b>	
At 1 April 2020	33,795
Additions	4,140
	<hr/>
At 31 March 2021	37,935
	<hr/>
<b>DEPRECIATION</b>	
At 1 April 2020	31,072
Charge for year	1,750
	<hr/>
At 31 March 2021	32,822
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 March 2021	5,113
	<hr/>
At 31 March 2020	2,723
	<hr/>

As of August 2019 Hope Chapel has been transferred legally into the ownership of the company Grace Community Church Porthcawl (company number 07501715). No cost was incurred other than legal costs of £4,010 which have been included as expenditure on charitable activities in the financial statements for the year to 31 March 2020.

At the time of the transfer in August 2019, £150,000 was placed as an approximate value on the asset which consists of long-term leasehold land and buildings. This note highlights a valuable asset owned by the company, fully available and utilized for its operations. Without the requirement for a formal valuation, it is considered to be a fair approximation of its value at 31 March 2021 by the trustees.

#### **8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.21	31.3.20
	£	£
Other debtors	11,732	9,901
	<hr/>	<hr/>

#### **9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.21	31.3.20
	£	£
Social security and other taxes	-	1,300
Other creditors	618	-
Accrued expenses	950	1,041
	<hr/>	<hr/>
	1,568	2,341
	<hr/>	<hr/>

# **GRACE COMMUNITY CHURCH PORTHCAWL**

## **Notes to the Financial Statements - continued for the year ended 31 March 2021**

### **10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Fixed assets	4,623	490	5,113	2,723
Current assets	65,742	40,322	106,064	88,902
Current liabilities	(1,568)	-	(1,568)	(2,341)
	<u>68,797</u>	<u>40,812</u>	<u>109,609</u>	<u>89,284</u>

### **11. MOVEMENT IN FUNDS**

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	56,000	14,750	(9,342)	61,408
Outward Giving	819	(5,075)	7,530	3,274
UK Support	2,711	(1,080)	375	2,006
Pastoral and Needy	2,214	(1,542)	1,437	2,109
	<u>61,744</u>	<u>7,053</u>	<u>-</u>	<u>68,797</u>
<b>Restricted funds</b>				
Church Planting	7,020	13,272	-	20,292
World Challenge	20,520	-	-	20,520
	<u>27,540</u>	<u>13,272</u>	<u>-</u>	<u>40,812</u>
<b>TOTAL FUNDS</b>	<u>89,284</u>	<u>20,325</u>	<u>-</u>	<u>109,609</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	73,099	(58,349)	14,750
Outward Giving	-	(5,075)	(5,075)
UK Support	-	(1,080)	(1,080)
Pastoral and Needy	-	(1,542)	(1,542)
	<u>73,099</u>	<u>(66,046)</u>	<u>7,053</u>
<b>Restricted funds</b>			
Church Planting	28,973	(15,701)	13,272
	<u>102,072</u>	<u>(81,747)</u>	<u>20,325</u>



**GRACE COMMUNITY CHURCH PORTHCAWL**

**Notes to the Financial Statements - continued**  
**for the year ended 31 March 2021**

**11. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
<b>Unrestricted funds</b>				
General fund	66,280	(1,225)	(9,055)	56,000
Outward Giving	406	(8,463)	8,876	819
UK Support	5,005	(1,080)	(1,214)	2,711
Pastoral and Needy	3,496	(2,675)	1,393	2,214
	<u>75,187</u>	<u>(13,443)</u>	<u>-</u>	<u>61,744</u>
<b>Restricted funds</b>				
Church Planting	-	20	7,000	7,020
World Challenge	-	27,520	(7,000)	20,520
	<u>-</u>	<u>27,540</u>	<u>-</u>	<u>27,540</u>
<b>TOTAL FUNDS</b>	<u>75,187</u>	<u>14,097</u>	<u>-</u>	<u>89,284</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	69,825	(71,050)	(1,225)
Outward Giving	-	(8,463)	(8,463)
UK Support	-	(1,080)	(1,080)
Pastoral and Needy	-	(2,675)	(2,675)
	<u>69,825</u>	<u>(83,268)</u>	<u>(13,443)</u>
<b>Restricted funds</b>			
Church Planting	8,770	(8,750)	20
World Challenge	27,520	-	27,520
	<u>36,290</u>	<u>(8,750)</u>	<u>27,540</u>
<b>TOTAL FUNDS</b>	<u>106,115</u>	<u>(92,018)</u>	<u>14,097</u>

Outward Giving paid out during the year to 31 March 2021 ministry gifts totalling £5,075 (2020: £8,463); UK Support paid out £1,080 (2020: £1,080) to Waleswide and the Pastoral and Needy Fund paid out various gifts totalling £1,542 (2020: £2,675).



**GRACE COMMUNITY CHURCH PORTHCAWL**

**Notes to the Financial Statements - continued**  
**for the year ended 31 March 2021**

**12. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2021.

**GRACE COMMUNITY CHURCH PORTHCAWL****Detailed Statement of Financial Activities  
for the year ended 31 March 2021**

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
<b>INCOME AND ENDOWMENTS</b>				
<b>Donations and legacies</b>				
Donations	61,797	19,352	81,149	66,463
Gift aid	10,482	1,250	11,732	9,901
Grants	250	8,371	8,621	29,026
	<hr/> 72,529	<hr/> 28,973	<hr/> 101,502	<hr/> 105,390
<b>Investment income</b>				
Rents received	550	-	550	700
Deposit account interest	20	-	20	25
	<hr/> 570	<hr/> -	<hr/> 570	<hr/> 725
<b>Total incoming resources</b>	<hr/> 73,099	<hr/> 28,973	<hr/> 102,072	<hr/> 106,115
<b>EXPENDITURE</b>				
<b>Charitable activities</b>				
Pastor's wages	24,205	-	24,205	23,617
Pastor's pension	1,936	-	1,936	1,889
Pastor's expenses	481	-	481	2,200
Evangelism	2,155	-	2,155	2,997
Other ministry	20,557	15,508	36,065	23,671
Visiting ministry	-	-	-	561
Ministry giving paid from funds set aside	7,697	-	7,697	12,218
Special events	-	-	-	13,644
Non-tithe receipts	191	-	191	(9,008)
Hospitality	382	-	382	280
Youth work and events	393	-	393	549
Other pastoral and charitable support	313	70	383	623
Utilities	1,953	-	1,953	2,090
Maintenance	1,057	-	1,057	6,648
Legal costs	-	-	-	4,010
Subscriptions	790	-	790	585
Insurances	846	-	846	825
Stationery and office	163	-	163	394
Accountancy & examination	1,300	-	1,300	1,235
Depreciation of tangible fixed assets	1,627	123	1,750	2,990
	<hr/> 66,046	<hr/> 15,701	<hr/> 81,747	<hr/> 92,018
<b>Total resources expended</b>	<hr/> 66,046	<hr/> 15,701	<hr/> 81,747	<hr/> 92,018
<b>Net income</b>	<hr/> 7,053	<hr/> 13,272	<hr/> 20,325	<hr/> 14,097

This page does not form part of the statutory financial statements