

Amazing Grace - Teesside

Report and Statement of Accounts
for the Year Ended 31 December 2020

“Registrar of Companies Copy”
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Amazing Grace - Teesside

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Amazing Grace - Teesside

Company Information

Trustees	Dr S Braye Dr T Gibbons Mr A J P Braye Mr T Broughton
Secretary	Mrs M Braye
Company Number	07763798
Charity Number	1145379
Registered Office	59 Durham Road Middlesbrough TS6 9NA
Bankers	Barclays Bank 1 Churchill Place London E14 5HP
Accountants	Anderson Barrowcliff LLP 3 Kingfisher Court Bowesfield Park Stockton on Tees TS18 3EX

Amazing Grace - Teesside

Report of The Trustees

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 December 2020. 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 Charity's objects and its principal activity is the teaching of the bible and assisting in the development of our congregation's faith. It also continues to strive towards the improvement of family and individual wellbeing and the development and monitoring of young people in the area.

ACHIEVEMENTS

In August 2020, the Charity was able to expand with additional premises leased for the Amazing Grace Teesside church in Stockton-On-Tees, UK. This enabled the Charity to open a charity shop in the UK with a view to offer families and individuals low price goods as well as provide the Charity with a steady income. The Charity was impacted by the Covid-19 pandemic where churches both in the UK and Estonia were temporarily closed.

The church in Tartu, Estonia (Amazing Grace Tartu) continues to grow in influence and numbers despite Covid-19 restrictions in Estonia. The church in Redcar, UK (Amazing Grace East Coast) has been paused temporarily whilst Covid-19 restrictions remain in place, with exciting plans to restart in 2021.

Missionary trips to Europe were restricted during the year, however, these will continue where possible in 2021.

The Charity showed a deficit on unrestricted funds of £26,595 (2019 – £13,913) for the year.

FINANCIAL REVIEW

Reserves Policy

The aim of the Charity is to secure free reserves to the value of around £25,000 per annum that would facilitate international mission growth. At present the reserves do not reach this target and the Trustees are looking at ways of increasing reserves.

At the year end the Charity had negative free reserves (unrestricted reserves less the amount invested in fixed assets) of £10,555 (2019: positive £5,246).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is constituted as a Company limited by guarantee, without a share capital, and is therefore governed by a Memorandum and Articles of Association. It became a registered charity on 10 January 2012.

The Charity is organised so that the Trustees meet regularly to manage the affairs of the Charity. A trustee is in charge of the day to day running of the Charity.

Appointment of Trustees

Mr. A. Braye, Dr. S. Braye, Dr. T. Gibbons and Mr. T. Broughton continue as trustees.

TRUSTEES STATEMENT

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission guidance on public benefit. The Charity satisfied the public benefit criteria through its objectives and work done in the year for families and young people.

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

By Order of the Trustees

Date: 27.9.21



Amazing Grace - Teesside

Statement of Financial Activities
(Including Income and Expenditure Account)
for the Year Ended 31 December 2020

		(All Unrestricted)	
	Note	2020	2019
		£	£
INCOME FROM:			
Donations and Legacies	3	117,386	127,690
Other trading activities	4	11,708	2,240
Government grants	5	5,798	-
Investment income	6	15	35
Total Income		134,908	129,965
EXPENDITURE ON:			
Charitable activities	8	164,593	143,878
Total Expenditure		164,593	143,878
Net (Expenditure)/Net Movement in Funds		(29,685)	(13,913)
Fund balance brought forward at 1 January 2020		33,292	47,205
Fund balance carried forward at 31 December 2020		3,607	33,292

The accompanying notes form part of these financial statements

Amazing Grace - TeessideBalance Sheet as at 31 December 2020

	<u>Notes</u>	2020	2019
			£
Fixed Assets			
Tangible assets	10	14,162	28,046
Current Assets			
Debtors	11	2,356	4,910
Cash at bank and in hand		504	5,076
		<u>2,860</u>	<u>9,986</u>
Creditors: Amounts falling due within one year	12	<u>(13,415)</u>	<u>(4,740)</u>
Net Current Assets / (Liabilities)		<u>(10,555)</u>	<u>5,246</u>
Net Assets		<u>3,607</u>	<u>33,292</u>
Funds			
Unrestricted		<u>3,607</u>	<u>33,292</u>
		<u>3,607</u>	<u>33,292</u>

For the year ended 31 December 2020 the Company was entitled to exemption from audit under Section 477 of the Companies Act 2006.

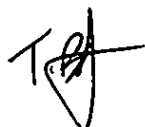
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

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 accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 27/07/2021 and were signed on its behalf by:



Mr T Broughton
Trustee

The accompanying notes form part of these financial statements.

Amazing Grace - Teesside

Notes to the Financial Statements for the Year Ended 31 December 2020

1 STATUTORY INFORMATION

Amazing Grace-Teesside is a private charitable company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found in the Trustees' Report.

The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all years presented unless otherwise stated.

2 ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

Amazing Grace-Teesside meets the definition of a 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 note.

(b) Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

(c) 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.

(d) Incoming resources

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- Any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity.
- There is sufficient certainty that receipt of the income is considered probable; and
- The amount can be measured reliably.

There is no netting off of expenditure within the accounts.

Donations are credited to income as they are received.

Income from government and other grants, whether capital or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Continued...

Notes to the Financial Statements for the Year Ended 31 December 2020

2 ACCOUNTING POLICIES - continued

(e) Resources expended

All expenditure is accounted for on an accruals basis and is recognised once there is a legal constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Attributable VAT is included in expenditure and cannot be recovered. Expenditure is classified under the following headings:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs which can be directly allocated to activities and those costs of an indirect nature necessary to support them.
- Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

(f) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Assets costing less than £500 are not capitalised.

Improvements to property are depreciated over the period of the lease.

Computer equipment is depreciated on a 20% straight line basis.

Fixtures and fittings are depreciated on a 20% straight line basis.

Motor vehicles are depreciated on a 20% straight line basis.

(g) Cash at bank

Cash at bank and cash 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 of the deposit or similar account.

(h) Debtors

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

(i) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(j) Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK corporation tax purposes.

(k) Operating Leases

Operating lease rentals are charged in the Statement of Financial Activities on a straight line basis over the lease term.

(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(m) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

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Amazing Grace - Teesside

Notes to the Financial Statements for the Year Ended 31 December 2020

2 ACCOUNTING POLICIES - continued

(n) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

3 DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	117,386	127,690

4 OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Event income	428	2,080
Conference tickets	-	160
Charity shop sales	11,280	-
	11,708	2,240

5 GOVERNMENT GRANTS

	2020	2019
	£	£
Coronavirus Job Retention Scheme	5,798	-

6 INVESTMENT INCOME

	2020	2019
	£	£
Bank interest	15	35

7 DONATED GOODS, FACILITIES OR SERVICES

Volunteers donate their time to help in various roles across the charity. Prior to the charity shop opening, this had been predominantly helping run church services and events. Since the shop opened, the role of volunteers expanded to include running the shop. There are also a small number of volunteers who help the charity in administration roles.

8 CHARITABLE ACTIVITIES COSTS

	2020	2019
	£	£
Costs directly allocated to activities:		
Payments for pastoral services	15,050	12,000
Food & drink	1,691	1,686
Learning materials	-	126
Rent & water	19,626	17,195
Speaker expenses & gifts	200	500
Missionary trips & expenses	11,794	18,187
East Coast Church	-	1,120
Youth Work costs	1,195	1,764
Wages	63,170	58,000
Social Security	2,355	2,637
Event costs	200	887
	115,281	114,102

Continued...

Amazing Grace - Teesside

Notes to the Financial Statements for the Year Ended 31 December 2020

8 CHARITABLE ACTIVITIES COSTS continued

	2020 £	2019 £
Support Costs allocated to activities		
Repairs & maintenance	8,612	1,794
Heat & light	8,486	2,733
Printing, postage, stationery & advertising	77	198
Telephone	693	885
Insurance	1,319	401
Travel expenses	2,629	1,420
Sundries	4,929	745
Depreciation	16,819	18,004
Computer expenses	1,720	1,428
Bank charges	584	439
Governance costs		
Legal fees	2,304	619
Independent Examiners fee	1,140	1,110
	<u>164,593</u>	<u>143,878</u>

9 STAFF COSTS

	2020 £	2019 £
Wages & salaries	63,170	58,000
Social Security costs	2,355	2,637
	<u>65,525</u>	<u>60,637</u>

The average monthly number of employees during the year was 2 (2019 : 2).

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

10 TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Computer Equipment £	Improvements to Property £	Motor Vehicles £	Total £
At 1 January 2020	11,642	22,819	95,044	-	129,505
Additions	1,501	734	-	700	2,935
At 31 December 2020	<u>13,143</u>	<u>23,553</u>	<u>95,044</u>	<u>700</u>	<u>132,440</u>
Depreciation					
At 1 January 2019	8,890	17,835	74,734	-	101,459
Charge for Year	1,826	2,790	12,063	140	16,819
At 31 December 2020	<u>10,716</u>	<u>20,625</u>	<u>86,797</u>	<u>140</u>	<u>118,278</u>
Net Book Value					
31 December 2020	<u>2,427</u>	<u>2,928</u>	<u>8,247</u>	<u>560</u>	<u>14,162</u>
31 December 2019	<u>2,752</u>	<u>4,984</u>	<u>20,310</u>	<u>-</u>	<u>28,046</u>

Amazing Grace - Teesside

Notes to the Financial Statements for the Year Ended 31 December 2020

11	DEBTORS	2020	2019
		£	£
	Other debtors	<u>2,356</u>	<u>4,910</u>

12	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020	2019
		£	£
	Trade creditors	6,014	832
	Accruals	5,821	2,495
	Other taxes and social security	<u>1,580</u>	<u>1,413</u>
		<u>13,415</u>	<u>4,740</u>

13 LEASING COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	4,583	10,000
Between one and five years	-	4,583
	<u>4,583</u>	<u>14,583</u>

The total lease payments recognised as an expense in the Statement of Financial Activities were £10,000 (2019: £10,000).

14 TRUSTEE REMUNERATION AND EXPENSES

Mr A Braye received £6,800 for pastoral services provided.

Expenses totalling £1,642 were paid to Mr A Braye.

No other trustee expenses or remuneration were paid.

15 RELATED PARTY TRANSACTIONS

There were no related party transactions in the period which require disclosure.

Amazing Grace - Teesside

Independent Examiner's Report to the Trustees of Amazing Grace - Teesside

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

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 2016 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.



D J Robertson
Partner
Anderson Barrowcliff LLP
Chartered Accountants
3 Kingfisher Way
Bowesfield Park
Stockton on Tees
TS18 3EX

27 September 2021