

GRACE TO YOU EUROPE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Company No: 08211924
Registered Charity Number: 1150277

GRACE TO YOU EUROPE

REPORT AND FINANCIAL STATEMENTS

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GRACE TO YOU EUROPE

COMPANY INFORMATION

Registered Company Number	08211924
Registered Charity Number	1150277
Trustees	Mr Phillip Johnson Mr Christian Andresen Mr Andrew Curry Mr Jay Flowers
Senior Management Team	Mr P Mitchell Mrs D Mitchell
Registered Office	5 Caxton House Wellesley Road Ashford Kent TN24 8ET
Solicitors	Messrs Hallett & Co 11 Bank Street Ashford Kent TN23 1DA
Independent examiner	M Wilkes FCA Azets Audit Services 5th Floor Ashford Commercial Quarter 1 Dover Place Ashford Kent TN23 1FB
Bankers	CAF Bank Limited 25 Kings Hill Avenue West Malling Kent ME19 4JQ

GRACE TO YOU EUROPE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report and examined financial statements of the charity for the year ended 31 December 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006 and 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 published on 16 July 2014 as amended by Bulletin 1.

Objectives of the charity

The advancement of the Christian faith and such other charitable purposes as the Trustees shall from time to time determine.

Public benefit statement

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

Achievements and performance in the period

The main method that Grace to You Europe employs in carrying out its charitable activity, which provides public benefit, is radio ministry. During 2021 we broadcast our daily radio programme, Grace to You, throughout the United Kingdom of Great Britain and Northern Ireland on Premier Christian Radio. Members of the public living in those regions of Europe not covered by our radio reach were able to access the daily programmes, and thousands of free audio and video resources, through our website.

On a bi-monthly basis we sent a pastoral letter from John MacArthur to all those on our mailing list; on each occasion there was an offer of either a free book or CD, without any obligation to make a financial donation.

Book Translation Projects

During the past year we agreed to financially support several projects that would enable books by John MacArthur to be translated from English into other European languages.

The largest grant of £20,138 was made to FACLIA Publishing House of Oradea, to cover the costs of translating and publishing *Saved Without a Doubt* and *You Must Be Born Again* into ROMANIAN, and to begin the process of producing a Romanian edition of the MacArthur Study Bible.

A total of £3,527 was granted to facilitate the translation and publication of *Saved Without A Doubt*, *Jesus Unleashed* and various booklets in the *Spotlight on Scripture* series for free distribution to congregations of the Hungarian Baptist churches in Romania.

A total of £2,153 was granted to facilitate the translation, publication and free distribution of various *Spotlight on Scripture* booklets into SERBIAN.

A total of £1,800 was granted to facilitate the translation, publication and free distribution of various *Spotlight on Scripture* booklets into POLISH.

We have designated £70,000 of our Reserves for book and MacArthur Study Bible translation projects in Eastern Europe during 2022.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Grace Reaches Out to Romania

During the early summer of 2020 we commenced the most exciting and most challenging translation project undertaken by Grace to You Europe to date. This project hopes to achieve over a 5-6 year period the translation and re-voicing of some 600 key sermons by John MacArthur into the Romanian language. The intention is that these sermons will be made free to download in both transcript and audio format through the GTY website. However, the audio files will also be used by our ministry partners in Romania to produce radio programmes for broadcasting throughout Romania and the world-wide Romanian diaspora, which is rapidly increasing because of economic migration. We have agreed to fund the Grace Reaches Out to Romania project on the basis that our ministry partners in Romania will assume responsibility for maintaining and financing the project beyond year 2026 through Har prin Cuvant, a legally registered charity in Romania.

The work out-put of the translators/sermon recording/technical team should increase significantly during 2022, so we have designated £75,000 of our Reserves for the funding of Grace Reaches Out to Romania.

Conferences

Due to the travel restrictions resulting from the COVID-19 pandemic we were required to postpone all conferences during 2020/21, but it is hoped that some of these can now be rescheduled. We have designated £25,000 of our Reserves for conference ministry during 2022.

Prison ministry

Throughout the year we were contacted by the inmates of 16 different U.K prisons and young offenders' institutions who had been listening to our daily radio broadcasts. We also received requests for our free resources from prison chaplains for distribution in their pastoral ministry. During the year we specifically donated MacArthur Study Bibles and other literature to the value of £1,250 to the chaplains of Christian Prison Resourcing.

Shepherds' Conference

We have sponsored the attendance at Shepherds' Conference of 3 pastors with grants made towards the costs of air tickets.

Hardship grants for Pastors

Many, if not most, pastors in Eastern Europe receive very modest salaries, which are not always sufficient to support a family. Consequently, many pastors' wives must work full-time outside the home in-order to contribute to the family budget, or the pastor needs to take on additional manual work, such as bee keeping or farming, which can have a significant detrimental impact upon the time he can dedicate to his ministry. Over the course of several years, we have tried to provide some financial support to a small number of pastors in Eastern Europe who have struggled to provide for their families. However, during 2020/21 the income of some bi-vocational pastors serving churches in Western Europe was also severely impacted as the businesses that fund their ministries were forced to close due to the COVID-19 pandemic.

The following hardship grants were made to pastors/missionaries during 2021:

Romania £8,704 (5 Individuals)	Macedonia £892 (1 Individual)
France £3,289 (3 Individuals)	Belguim £867 (1 Individual)
Serbia £4,277 (2 Individuals)	U.K £3,390 (5 Individuals)
Turkey £818 (1 individual)	

We have designated £15,000 for the relief of hardship amongst pastors during 2022.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Resources for Pastors and students

Books to the value of £7,147 were gifted to pastors and seminarians in Czech Republic, Denmark, Finland, France, Germany, Netherlands, Portugal, Romania and the UK.

The Master's Seminary Scholarship Fund

Grants totalling £8,534 were made to one individual currently preparing for pastoral ministry within Europe at the completion of his studies. We have designated £45,000 of our Reserves for the Scholarship Fund in 2022.

Individuals

The following quantities of free resources were provided to individuals during 2021:

6,364	Books
2,170	(hard) copies of Dynamic Resources Magazines

Preaching

During 2021 the Director was only able to undertake a limited number of weekend church preaching engagements on behalf of the ministry, due to the U.K Government's imposition of national and international travelling restrictions. However, one ministry trip to a church in Normandy was made possible when British and French government restrictions were briefly alleviated in October.

Risk policy

The Trustees are responsible for the management of the charity and have identified risks specific to Grace to You Europe and implemented appropriate controls.

The key controls used by the charity include:

- * Formal written agendas for all Board activity
- * Regular formal and informal discussions between the trustees and staff
- * Comprehensive planning, budgeting, and financial forecasting
- * Established organisational structure and lines of reporting
- * Formal written policies
- * Clear authorisation and approval levels for expenditure
- * Professional examination and presentation of annual accounts

Identified risks

Damage to reputation

Trustees Indemnity Insurance policy, with sum assured of £250,000 to cover legal costs occurred in defending an accusation resulting in damage to the charity's reputation.

A decline in funding and donations

We have a formal policy of maintaining sufficient capital at the bank to enable charitable activity to continue for a 12-month period in the event of a decline in donations due to loss of reputation or economic austerity.

Catastrophic loss by fire

We have a Business Combined Insurance Policy underwritten by Ansvar Insurance which includes a 12-month business interruption sum assured of £200,000.

The office the charity occupies in Caxton House is rented and we are only required to give one month's notice to our landlord if we wish to vacate the premises. There is a good range of alternative office accommodation available to rent in the Ashford area, some of which is owned by our current landlord, so we are confident that a catastrophic loss would only inconvenience the charity in the short-term.

Loss of data and Cyber Security

All data is being constantly monitored and backed-up by our off-site IT support company, MPR IT. Our website is hosted and maintained by our Grace to You colleagues in the U.S.A.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

COVID-19 Virus

A risk assessment was carried out at the commencement of the pandemic and staff followed U.K Government directives by working from home where that was possible or practical. However, rather than seeing a reduction in the work of the charity during the pandemic, the listenership of our daily radio broadcasts increased, and demand for our resources surged, making working from home for all members of staff impossible. The Director and Office Manager (who are a married couple) attended the office each day in-order to receive deliveries and to maintain shipment of resources to customers and supporters, whilst customer service staff worked from home answering telephone calls.

The Grace to You Europe office is large enough to enable 3 members of staff to work simultaneously, whilst maintaining social distancing of at least 2 meters. Protective face masks and hand sanitizer is provided for all members of staff whilst they are working in the office.

Based on the encouraging financial performance of the charity during 2021 we do not anticipate any decline in regular donor support or a decrease in the demand for our resources during 2022, which gives us confidence to proceed with the various objectives mentioned in this report, whilst adhering to our policy of maintaining sufficient financial reserves at the bank.

Financial review

Income for the year amounted to £541,658 (2020: £471,628) and expenditure amounted to £399,708 (2020: £392,452). As a result of the these movements, a surplus of £141,950 (2020: £79,176) was reported for the year. At 31 December 2021 funds amounted to £556,497 (2020: £414,547).

Reserves policy

The Trustees have adopted a policy which aims to ensure that there are adequate funds to meet the operating costs of the charity for a period of at least twelve months. Based on budgeted expenditure levels this would amount to £260,000 (2020: £260,000). At 31 December 2021, unrestricted reserves amounted to £295,031 (2020: £237,153).

At 31 December 2021 designated funds amounted to £230,000 (2020: £177,394). Further details can be found in note 10.

At 31 December 2021 restricted funds amounted to £31,466 (2020: Nil). Further details can be found in note 11.

Pay policy for key management personnel

The Trustees consider the Trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. The pay of the senior staff is reviewed annually and normally increased in accordance with market rates.

Plans for the future

We will also continue to explore new opportunities for expanding the reach of Grace to You into Moldova, Serbia, Bulgaria, and Macedonia. We have received firm invitations from pastors in these countries to organise much needed Bible teaching conferences for church leaders.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

Structure

The company was incorporated as a limited company on 12 September 2012 and is governed by its Memorandum and Articles of Association. The company number is 8211924.

The company is also registered with the Charity Commission, number 1150277, from 21 December 2012.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Governance and management

The Trustees who served during the year were:

Mr Phillip Johnson

Mr Christian Andresen

Mr Andrew Curry

Mr Jay Flowers

There shall not be less than three Trustees at any time but there is no maximum number. The existing Trustees may appoint further Trustees at their discretion. No person shall be eligible for appointment as a Trustee unless he/she can give full and unequivocal assent to the Grace to You Doctrinal Statement.

The Trustees meet formally on an annual basis but regularly and less formally at other times during the course of the year. The Trustees have designated Mr D Paul Mitchell, to be responsible for the day to day operation of the charity and he is assisted by a full-time Office Manager and one Customer Service Assistant.

Trustees' responsibilities

The Trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company exemption

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

By order of the Board

.....
Andrew Curry

Trustee

Date: 9 May 2022

GRACE TO YOU EUROPE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the charity trustees on my examination of the accounts for the year ended 31 December 2021 which are set out on pages 8 to 16.

Responsibilities and basis of report

As the charity 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 report

Since the company'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 ICAEW, 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;

- 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 requirements 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.

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.

Name:
Relevant professional qualification or body:
Address:

M A Wilkes
FCA

**Azets Audit Services, 5th Floor, Ashford Commercial
Quarter, 1 Dover Place, Ashford, Kent. TN23 1FB
7 June 2022**

Date:

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Restricted funds £	Unrestricted funds £	2021 Total £	Unrestricted funds 2020 Total £
Income from:					
Donations		-	298,675	298,675	237,021
Donations - Scholarship		40,000	-	40,000	-
Charitable activities					
Sale of recordings and literature		-	45,954	45,954	45,512
Grace To You support in kind		-	156,991	156,991	187,378
Interest receivable		-	38	38	205
Other Income		-	-	-	56
Coronavirus Job Retention Scheme grant		-	-	-	1,456
Total income		<u>40,000</u>	<u>501,658</u>	<u>541,658</u>	<u>471,628</u>
Expenditure on:					
Charitable activities		8,534	391,174	399,708	392,452
Total expenditure	2	<u>8,534</u>	<u>391,174</u>	<u>399,708</u>	<u>392,452</u>
Net movement in funds		31,466	110,484	141,950	79,176
Reconciliation of funds:					
Fund balances at 1 January 2021		-	414,547	414,547	335,371
Fund balances at 31 December 2021		<u>31,466</u>	<u>525,031</u>	<u>556,497</u>	<u>414,547</u>

All transactions are derived from continuing activities.

Comparative figures relate to unrestricted income and expenditure.

All recognised gains or losses are included in the Statement of Financial Activities.

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BALANCE SHEET

AS AT 31 DECEMBER 2021

	Note	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	6		8,874		3,850
Current assets					
Stocks	7	26,311		25,286	
Debtors	8	3,272		1,579	
Cash at bank and in hand		528,323		393,507	
		<u>557,906</u>		<u>420,372</u>	
Creditors: Amounts falling due within one year	9	<u>(10,283)</u>		<u>(9,675)</u>	
Net current assets			547,623		410,697
Net assets			<u>556,497</u>		<u>414,547</u>
Represented by					
Designated funds	10	230,000		177,394	
Restricted general fund	11	31,466		-	
Unrestricted general fund		295,031		237,153	
		<u>556,497</u>		<u>414,547</u>	

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

These financial statements 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 9 May 2022 and were signed on its behalf by:

.....

Trustee

Company No: 08211924

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Net cash flow from operating activities	12	142,143	90,094
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(7,364)	(4,548)
Interest received		38	205
Net cash flow from investing activities		<u>(7,326)</u>	<u>(4,343)</u>
Net increase in cash and cash equivalents		134,817	85,751
Cash and cash equivalents at 1 January 2021		<u>393,507</u>	<u>307,756</u>
Cash and cash equivalents at 31 December 2021		<u><u>528,323</u></u>	<u><u>393,507</u></u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

1.1 Accounting convention

Grace to You Europe is a private limited company by guarantee and registered charity with the Charity Commission in the United Kingdom and a registered company in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the advancement of the Christian faith and such other charitable purposes as the Trustees shall from time to time determine.

The charity constitutes a public benefit entity as defined by FRS102. 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 (FRS102) issued on 16 July 2014 as amended by Bulletin 1, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity 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.

1.2 Funds accounting

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objectives. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

1.3 Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

- Voluntary income including donations and gifts is included in the Statement of Financial Activities when receivable.
- Income from sale of recordings and literature represents the amounts received from the sale of goods in respect of the charity's objectives.
- Donated services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.
- Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.
- Grace to You Support income is recognised when receivable. This can be in the form of donated services or actual donations.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1 Accounting policies

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Assets costing £200 or more will be capitalised. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office Equipment	25% straight line
Furniture and Fixtures	25% straight line
Recording equipment	25% straight line

1.6 Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

1.7 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.8 Pension contributions

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

1.9 Tax

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.

1.10 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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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

1.11 Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Useful economic lives of tangible assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 6 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

Stock provision

Stock levels are reviewed on an annual basis for any slow moving or obsolete stock and provisions are made if appropriate based on the likelihood of future sales and physical condition of stock.

2.1 Analysis of expenditure

	Direct costs	Support costs	Staff costs	2021 Total Funds	2020 Total Funds
	£	£	£	£	£
<i>Charitable activities</i>					
Literature and recordings	134,013	46,970	128,256	309,239	329,490
Translated books (note 2.2)	59,698	-	-	59,698	44,009
Grants paid (note 2.3)	22,237	-	-	22,237	18,953
Scholarship	8,534	-	-	8,534	-
Total expenditure	224,482	46,970	128,256	399,708	392,452

2.2 Translated books

	2021 Total £	2020 Total £
Grants to institutions		
FACLIA Publishing House of Oradea	27,618	26,403
Har Prin Cuvant	32,081	17,606
	<u>59,698</u>	<u>44,009</u>

2.3 Grants paid amounting to £22,237 (2020: £18,953) relates to grants paid to 18 individuals (2020: 16 individuals) in respect of the charity's primary charitable objective.

3 Support costs

	2021 Total £	2020 Total £
Insurance	1,917	1,714
Travelling and subsistence	6,901	12,497
Rent, community and utilities	11,598	8,586
Office expenses	3,643	3,094
Machine Maintenance	1,350	904
Computer support	5,140	6,711
Consultancy	13	13
Legal	134	-
Bank and credit card charges	7,160	5,066
Repairs and maintenance	1,881	934
Depreciation - office equipment	2,054	2,426
Accountancy - IT work	3,188	5,321
Loss on disposal of asset	286	-
Paypal fees	(305)	2,353
Independent examiner's fees	2,010	2,370
	<u>46,970</u>	<u>51,989</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

4	Staff costs and key management personnel remuneration	2021	2020
		£	£
	Gross wages	105,783	93,005
	Employer's NI	6,721	4,180
	Employer's pension	15,752	14,372
		<u>128,256</u>	<u>111,557</u>

The average number of employees during the year was 3 (2020: 5).

There are no employees with emoluments above £60,000 (2020: £60,000).

The Trustees consider the board of Trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. As detailed above, no Trustees received remuneration during the period. The remuneration to the senior management team employees total £98,528 (2020: £87,793).

5 Trustees' remuneration and reimbursed expenses

The Trustees have not received any remuneration in the year (2020: None). During the year no Trustees had expenses reimbursed totalling (2020: None) for travel costs.

6 Tangible assets

	Office Equipment	Furniture & Fixtures	Recording Equipment	Total
	£	£	£	£
Cost				
As at 1 January 2021	17,308	1,021	3,628	21,957
Additions	5,635	-	1,729	7,364
Disposals	(7,225)	-	(3,129)	(10,354)
As at 31 December 2021	<u>15,718</u>	<u>1,021</u>	<u>2,228</u>	<u>18,967</u>
Depreciation				
As at 1 January 2021	13,695	784	3,628	18,107
Charge for the year	1,827	82	145	2,054
Eliminated on disposal	(6,939)	-	(3,129)	(10,068)
As at 31 December 2021	<u>8,583</u>	<u>866</u>	<u>644</u>	<u>10,093</u>
Net book value				
As at 31 December 2021	<u>7,135</u>	<u>155</u>	<u>1,584</u>	<u>8,874</u>
As at 31 December 2020	<u>3,613</u>	<u>237</u>	<u>-</u>	<u>3,850</u>

7	Stocks	2021	2020
		£	£
	Stock for re-sale	25,247	23,736
	Stock of stationery	1,064	1,550
		<u>26,311</u>	<u>25,286</u>

8	Debtors	2021	2020
		£	£
	Prepayments	2,285	974
	Other debtors	987	605
		<u>3,272</u>	<u>1,579</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9	Creditors: Amounts falling due within one year			2021	2020
				£	£
	Accruals			5,478	6,063
	Other creditors			4,805	3,612
				<u>10,283</u>	<u>9,675</u>
10	Designated funds - 2021	At 1 January 2021	New designation	Designation released	At 31 December 2021
		£	£	£	£
	Book Translation projects in Eastern Europe	25,000	45,000	-	70,000
	Pastoral Hardship Grants	10,000	5,000	-	15,000
	Grace Reaches Out to Romania	75,000	-	-	75,000
	Conferences in Romania	25,000	-	-	25,000
	Support and develop Grace to You in Romania	42,394	-	(42,394)	-
	The Master's Seminary Scholarship Fund	-	45,000	-	45,000
		<u>177,394</u>	<u>95,000</u>	<u>(42,394)</u>	<u>230,000</u>
	Designated funds - 2020	At 1 January 2020	New designation	Designation released	At 31 December 2020
		£	£	£	£
	Book Translation projects in Eastern Europe	-	25,000	-	25,000
	Pastoral Hardship Grants	-	10,000	-	10,000
	Grace Reaches Out to Romania	-	75,000	-	75,000
	Conferences in Romania	-	25,000	-	25,000
	Support and develop Grace to You in Romania	60,000	-	(17,606)	42,394
		<u>60,000</u>	<u>135,000</u>	<u>(17,606)</u>	<u>177,394</u>
	Book Translation projects in Eastern Europe	Several literature translation projects are currently being undertaken with publication due during the Autumn of 2022.			
	Pastoral Hardship Grants	To help alleviate financial hardship amongst Pastors in Eastern Europe.			
	Grace Reaches Out to Romania	The work out-put of the translators/sermon recording/technical team should increase significantly during 2022 so funds have been allocated to support this work.			
	Conferences in Romania	To organise conferences for Pastors in Romania and to cover the costs that will be incurred.			
	Support and develop Grace to You in Romania	To help the ministry of Grace to You in Romania.			
	The Master's Seminary Scholarship Fund	One individual is currently preparing for pastoral ministry within Europe at the completion of his studies.			

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11	Restricted funds	As at 1 January			As at 31 December	
		2021	Income	Expenditure	Transfers	2021
	The Master's Seminary Scholarship Fund	-	40,000	(8,534)	-	31,466
		-	40,000	(8,534)	-	31,466

Objectives of restricted funds

The Master's Seminary Scholarship Fund One individual is currently preparing for pastoral ministry within Europe at the completion of his studies.

12 Reconciliation of net income to net cash flow from operating activities

	2021	2020
	£	£
Net Income/(Expenditure) for the year	141,950	79,176
Interest Receivable	(38)	(205)
Depreciation	2,054	2,426
Decrease/(Increase) in stock	(1,025)	29
(Increase)/Decrease in debtors	(1,693)	6,798
Increase/(decrease) in creditors	609	1,869
Profit/Loss on disposal of assets	286	-
Net Cash Flow from Operating Activities	142,143	90,094

13 Company status

The company is a company limited by guarantee and not having a share capital. Every member of the company undertakes to contribute in a winding up sum not exceeding £1 whilst they are a member, or within one year after ceasing to be a member, towards debts and liabilities contracted before ceasing to be a member.

14 Related party transactions

Mr. Phillip Johnson, Trustee, is also a Trustee of Grace to You USA. During the year, Grace to You USA donated support of £90,252 (2020: £114,961) have been included in the SOFA, the income side of this has been recorded as a donation and a similar entry for expenditure. In addition the charity also received donations from Grace to You USA amounting to £66,739 (2020: £72,417).

15 Financial commitments

During the year, the Trustees entered into a contract to translate the MacArthur Study Bible into the Romanian language. The contract will last for a period of 24 months at a monthly rate of £5,000 and will end on 31 December 2023.