

GRACE CHURCH HIGHLANDS

England & Wales · Charity number 1152828

Details

Other names GCH

Status Registered

Legal form CIO

Registered 2013-07-11

Register [View on the Charity Commission register](#)

Contact

Address 40 The Fairway
London
N14 4NY

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Activities

Objects: TO ADVANCE THE CHRISTIAN FAITH FOR THE BENEFIT OF THE PUBLIC, BY SERVING AND REACHING FOR CHRIST, THE COMMUNITY OF HIGHLANDS VILLAGE, AND WIDER NETWORKS OF PEOPLE CONNECTED WITH MEMBERS OF THE CONGREGATION, BY, IN PARTICULAR, HOLDING SERVICES OF WORSHIP, PROMOTING STUDY OF THE BIBLE, MISSIONARY AND OUTREACH WORK

Activities: Grace Church Highlands is a Church of England 'Mission Initiative'. Our aim is to serve Christ and to share Christ. We meet for a service every Sunday at 10.30am in Highlands School; during the service we run a creche and groups for children aged up to 14. We organise a range of other activities for Church members, guests and for the people of Highlands village.

Classification

- **How:** Provides Services, Other Charitable Activities
- **What:** Religious Activities
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Area of benefit: ENFIELD
- Enfield

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£156,315	£181,004	-	-
2023-12-31	£121,663	£158,376	-	-
2022-12-31	£105,597	£120,780	-	-
2021-12-31	£99,697	£103,664	-	-
2020-12-31	£92,851	£80,692	-	-

Trustees

Name	Role	Appointed
Rev Jonathan Bell	Chair	2019-04-10
Ares Kokkinos		2023-05-21
Emily Florence Hammer		2021-05-24
Heidi Bennett		2023-07-10
JEFFREY ROBERT HAMMER		2013-04-26
Marie Haines		2022-05-23
Oluwafoluke Elizabeth Soyode		2026-05-17
Paul Mason		2015-03-01
Timothy David Catt		2020-10-18

GRACE CHURCH HIGHLANDS

England & Wales - Charity number 1152828

Accounts

Grace Church Highlands CIO
Annual report and financial statements

Year ended 31 December 2024



GRACE
CHURCH
HIGHLANDS

Annual report of the trustees

Reference and administrative details

Grace Church Highlands CIO is a Charitable Incorporated Organisation registered with the Charity Commission, which regulates charitable organisations in England and Wales. It was formed on 11 July 2013 and is registered under Charity No. 1152828. Its principal office is at 2 Firs Lane, Winchmore Hill, London N21 2HU.

This report covers activities during the 12 months from 1 January 2024 to 31 December 2024. The trustees of Grace Church Highlands CIO who served during the year were:

Revd Jonathan Bell (Minister & Chair)
Tim Catt (Church Warden)
Jeff Hammer (Church Warden)
Ares Kokkinos (Treasurer)
Emily Hammer (Secretary)
Heidi Bennett
Marie Haines
Paul Mason
Sheamal Samarasekera

Structure, governance and management

Grace Church Highlands CIO operates under a Constitution which sets out how it is governed and managed. Decisions concerning the operation of the CIO are made by the trustees, who meet 8-10 times annually as Grace Church Council. Apart from the Minister, who is an 'ex officio' trustee, other trustees have terms of appointment of up to four years.

Up to four trustees in total can be nominated by members of the congregation of Grace Church Highlands. The aim is to appoint one trustee a year through this method, with the appointment agreed at the Annual Church Meeting. If unexpected vacancies arise, more than one appointment may be sought. Other trustees are appointed by the existing Board of Trustees (Church Council). The aim is that there should normally be 9 trustees in total, although the constitution allows for a maximum of 12 trustees and a minimum of 3.

New trustees are provided with a copy of the Constitution, a copy of the Bishop's Mission Order relating to the Grace Church Highlands Mission Initiative, and with copies of Charity Commission guidance setting out the responsibilities of CIO trustees.

In the management of the CIO the trustees seek to adhere to charity best practice. This includes establishing robust procedures for dealing with any conflicts of interest that may arise, for the payment of expenses of clergy and others, and for the provision of accommodation for the use of the Minister that is fit for purpose. It also includes written policies both to ensure the health and safety of those involved in the activities of the church, and to safeguard the welfare of children, young people and vulnerable adults receiving care as well as those working or coming into contact with them.

Objectives, activities and achievements

Grace Church Highlands was originally set up in 2007 as a church plant from Christ Church Cockfosters. It operates under a Bishop's Mission Order in the Diocese of London (this Bishop's Mission Order became permanent in 2023). On 11 July 2013 it was established as a Charitable Incorporated Organisation independent of Christ Church Cockfosters.

Grace Church Highlands CIO has a Constitution which sets out its charitable objectives and which provides the rules by which it operates. The principal objectives of the CIO are to advance the Christian faith for the benefit of the public by serving and reaching for Christ the community of Highlands Village (in North London) and wider networks of people connected with members of the congregation. The main activities of the CIO are the holding of services of worship, promotion of the study of the Bible, missionary and outreach work. A full copy of the Constitution can be obtained from the Minister, or any of the other trustees.

When framing the objectives, the trustees have carefully considered the guidance on 'public benefit' published by the Charity Commission (especially the guidance relating to the Advancement of Religion for Public Benefit) and have continued to take account of the Charity Commission's guidance on public benefit when planning activities throughout the year.

Grace Church Highlands does not have its own parish but instead operates within, and cooperates with, the parish of St Peter's Grange Park and its Parochial Church Council.

Our normal pattern is to hold regular weekly services on Sundays at Highlands School Hall, as well as other occasional services. These include groups for children of all ages. Our youth group meets on Sunday evenings in Highlands Village Hall. Other regular activities include 'Sparklers' for pre-school children and their parents/carers on Tuesday mornings in the Village Hall, and 'English For You' for parents at Grange Park Primary School on Wednesdays. These are proving to be very effective in helping us to meet people in Highlands Village, where community is sadly lacking. One-off events such as 'Pop-up Cafés,' our Summer Jazz BBQ and Sports Quiz are helpful both for meeting people locally and for members of Grace Church to invite people to join them and hear something of the Christian faith. We held an open-air service in Highlands this year for the first time since 2019. We aim to follow up with *Hope Explored* courses, the Word One-to-One, and invitations to church services. A small team undertook training in 2024 to run the *Al Massira* course, aiming to engage Muslim friends over several weeks.

Our bi-weekly services at Elizabeth Lodge Care Home continued. We also held a carol service at Blake Court. We were delighted to support a new Christian Union at Highlands School as well as the revitalisation of St Matthew's Church, Ponders End.

Our branch groups continued to meet throughout the year. They are a key means by which members of Grace Church Highlands and newcomers can enjoy fellowship with one another, studying the Bible, praying for one another, and encouraging one another to grow in Christlikeness. In September 2024 we held a 'Weekend Together' (in lieu of a long overdue weekend away) which was well-attended with very positive feedback.

There were two baptisms during the year.

Grace Church Highlands is part of the Edmonton Episcopal Area in the Diocese of London. At the Annual Meeting in July 2024 the electoral roll of Grace Church Highlands stood at 86 members.

Financial review

Our budget for 2024 projected a deficit of £65,050, and the year closed with an actual deficit of £24,689.

Income from regular giving was £106,705, which was 18% higher than budgeted. Income from one off gifts was £38,769, which was 68% higher than budgeted, primarily due to a particularly generous response to a financial appeal that took place during the course of the year. Overall, income from voluntary donations was therefore 28% higher than budgeted at £145,474, contributing to the lower deficit.

Expenditure was £5,696 below budget, which also contributed to the lower deficit. This was primarily driven by the fact that we were unexpectedly able to reclaim some employers' National Insurance contributions, which led to lower than budgeted spend on minister and staff stipend, salaries and expenses.

The trustees made the decision to remortgage the property occupied by the Minister and to pay a lump sum to reduce the outstanding mortgage balance. This was in order to benefit from a lower interest rate and lower monthly mortgage payments. The mortgage was therefore switched to a new lender in May 2024, with an opening mortgage balance of £255,000. The CIO incurred £4,903 in remortgaging costs, but the result will be a significant decrease in interest paid on the mortgage going forward.

At the end of the year the CIO had cash reserves of £123,915, the vast majority of which are unrestricted. The CIO also had an outstanding mortgage capital balance of £252,049 on the property occupied by the Minister.

Looking forward to 2025 we are forecasting a deficit of £22,025. This is roughly in line with the actual deficit for 2024, however we are anticipating lower income and expenditure in 2025 when compared to 2024. The former is due to the fact that the amount of one off donations received in 2024 was especially high, and we are anticipating receiving a lower amount of one-off donations in 2025. The latter is primarily due to a significant decrease in mortgage interest payments for the property occupied by the Minister, and due to the fact that the Minister for Youth and Children is due to go on maternity leave in May 2025 (and we can reclaim statutory maternity pay).

While the investment in employing a Minister for Youth and Children is a planned investment funded out of the CIO's existing healthy cash reserves, the trustees are conscious that the CIO cannot continue to run a yearly deficit indefinitely. The trustees would like to see the church grow to a point where this level of investment can be funded by in-year donations, but acknowledge that this is likely to be a slow process. In the meantime, the CIO is planning another financial appeal in 2025 in order to enable the church to continue investing in this way for a longer period. Beyond 2025, our plan is to have some sort of financial appeal or 'giving day' annually as part of our discipleship.

Policy on Reserves

The trustees have determined that the charity should aim to hold unrestricted cash of no less than three months' of unrestricted expenditure, so that the charity could continue to operate should income and/or expenditure vary adversely. Unrestricted expenditure in 2024 was £180,586, so three months' unrestricted expenditure is therefore calculated as £45,147. At the end of 2024, the charity had unrestricted cash of £123,752, and so is complying with its reserves policy.

Independent examiner's report on the accounts

Report to the Trustees / Members on the accounts for the year ended 31 December 2024, as set out on pages 6 to 17

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for the year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. Accordingly, it is my responsibility as independent examiner:

- to examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit. Consequently, no opinion is given as to whether the accounts present a 'true and fair' view, and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - a. to keep accounting records in accordance with section 130 of the Charities Act; and
 - b. to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Michael Slevin MBA, Ba (Hons) Finance

5th May 2025

40 East View
Barnet EN5 5TN

Statement of financial activities

For the year ended 31 December 2024

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Income					
Voluntary donations	3	145,170	304	145,474	113,500
Income from charitable activities	4	6,551	0	6,551	3,457
Interest		4,291	0	4,291	4,706
Total income		156,011	304	156,315	121,663
Expenditure					
Minister and staff stipend, salaries and expenses	5	87,227	0	87,227	83,603
Minister and staff accommodation	6	52,700	0	52,700	35,849
Venue hire for church services		15,885	0	15,885	15,512
Church running costs	7	4,601	0	4,601	3,975
Evangelism, discipleship and training	8	12,173	0	12,173	11,437
Mission support and other donations	9	8,000	418	8,418	8,000
Total expenditure		180,586	418	181,004	158,376
Net income and movement in funds		(24,575)	(114)	(24,689)	(36,713)
Reconciliation of funds					
	14				
Total funds brought forward		475,655	318	475,973	512,686
Total funds carried forward		451,080	204	451,284	475,973

The notes on pages 9 to 17 form part of these accounts.

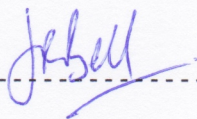
Balance sheet

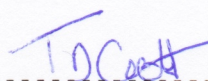
At 31 December 2024

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Fixed assets					
Tangible assets	10	568,082	0	568,082	568,082
Total fixed assets		568,082	0	568,082	568,082
Current assets					
Debtors	11	12,834	41	12,875	7,867
Cash at bank and in hand		123,752	163	123,915	191,495
Total current assets		136,586	204	136,790	199,362
Current liabilities					
Creditors - amounts falling due within one year	12	(6,375)	0	(6,375)	(11,569)
Total current liabilities		(6,375)	0	(6,375)	(11,569)
Net current assets		130,211	204	130,415	187,793
Total assets less current liabilities		698,293	204	698,497	755,875
Long-term liabilities					
Creditors - amounts falling due after one year	13	(247,213)	0	(247,213)	(279,903)
Total long-term liabilities		(247,213)	0	(247,213)	(279,903)
Total net assets		451,080	204	451,284	475,973
Fund balances					
General funds	14	443,300	0	443,300	471,303
Designated funds		7,780	0	7,780	4,352
Total unrestricted funds		451,080	0	451,080	475,655
Restricted funds		0	204	204	318
Total restricted funds		0	204	204	318
Total funds		451,080	204	451,284	475,973

The notes on pages 9 to 17 form part of these accounts.

The financial statements were approved by the Church Council on 31st March 2025 and signed on its behalf by: The Revd Jonathan Bell (Minister and Chair of the Church Council) and Tim Catt (Church Warden)

Handwritten signature of Jonathan Bell in blue ink, positioned above a horizontal dashed line.

Handwritten signature of Tim Catt in blue ink, positioned above a horizontal dashed line.

Notes to the financial statements

For the year ended 31 December 2024

1. Statutory information

The charity is a charitable incorporated organisation registered with the Charity Commission in England & Wales. The charity's registered number and contact address can be found on the Charity Information page.

2. Accounting policies

Basis of financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Income

Voluntary donations are generally recognised when received. Where donations have been pledged or the church is notified that it is due a legacy distribution, these are recognised at the time of the pledge / notification if the amount to be received can be reliably determined. Recoverable gift aid is recognised at the same time as the donation to which it relates.

Income collected in respect of appeals made on behalf of other charities is held in restricted funds and subsequently paid to those charities.

Income from charitable activities represents income from goods and services supplied in furtherance of the charity's charitable objectives. It includes income from church events. Income from charitable activities is recognised when received.

Interest income is accrued and recognised in the period in which it is earned.

Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred (i.e. in the period to which it relates) or, if earlier, when a constructive obligation for a payment arises.

The cost of raising funds is not significant and has not been separately disclosed.

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. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors.

Fixed assets

The property occupied by the Minister is accounted for at historical cost. It is not depreciated as it is the CIO's policy to continuously maintain the property to a high standard. Repairs and maintenance costs arising during the year are recognised in the Statement of Financial Activities under the heading 'Minister and staff accommodation' and are paid out of the 'Property repairs and maintenance' designated fund.

Movable church furnishings and equipment with an individual cost of less than £1,000 are written off when purchased.

Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remain outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

Exemption from preparing a cash flow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

3. Voluntary donations

	Total Funds 2024 £	Total Funds 2023 £
Regular donations		
Regular gift aid donations	75,490	65,525
Tax recoverable on regular gift aid donations	18,873	16,381
Other regular donations	12,342	8,306
Total regular donations	106,705	90,212
Occasional donations		
Occasional gift aid donations	28,407	15,337
Tax recoverable on occasional gift aid donations	7,102	4,188
Other occasional donations	3,261	3,763
Total occasional donations	38,769	23,288
Total voluntary donations	145,474	113,500

£304 (including gift aid) was collected on behalf of another charity (London City Mission), and held in a restricted fund.

4. Income from charitable activities

	Total Funds 2024 £	Total Funds 2023 £
Regular outreach activities	1,217	1,822
Occasional outreach activities	2,622	925
Youth and children's work	675	440
Literature and publicity	147	270
Conferences, camps, training and discipleship	1,890	0
Total income from charitable activities	6,551	3,457

'Conferences, camps, training and discipleship' includes income from a church weekend together.

5. Minister and staff stipend, salaries and expenses

	Total Funds 2024 £	Total Funds 2023 £
Minister and staff stipend, salaries, pension and national insurance	85,928	82,299
Minister and staff expenses	1,299	1,304
Total minister and staff stipend, salaries and expenses	87,227	83,603

'Minister and staff stipend, salaries, pension and national insurance' includes a negative accrual of £1,152 which reflects an overpayment in employers' national insurance that is still due to be repaid (this amount is included as a debtor in the balance sheet).

6. Minister and staff accommodation

	Total Funds 2024 £	Total Funds 2023 £
Mortgage interest	23,214	22,723
Rent	19,998	8,197
Council tax, utilities and insurance	7,916	5,819
Repairs and maintenance	1,572	(889)
Total minister and staff accommodation	52,700	35,849

'Mortgage interest' includes remortgaging costs of £4,903 (see note 13).

7. Church running costs

	Total Funds 2024 £	Total Funds 2023 £
Website, subscriptions and licences	568	647
Refreshments	1,342	1,195
Insurance	1,734	1,424
Contribution to LDF common fund	0	0
Other	957	709
Total church running costs	4,601	3,975

8. Evangelism, discipleship and training

	Total Funds 2024 £	Total Funds 2023 £
Regular outreach activities	1,108	2,481
Occasional outreach activities	3,922	2,494
Youth and children's work	2,539	2,155
Literature and publicity	1,077	2,096
Conferences, camps, training and discipleship	3,528	2,211
Total evangelism, discipleship and training	12,173	11,437

'Conferences, camps, training and discipleship' includes expenditure on a church weekend together.

9. Mission support and other donations

	Total Funds 2024 £	Total Funds 2023 £
Mission partners - Overseas	3,000	3,000
Mission partners - UK	2,000	1,500
Other mission support and donations	3,418	3,500
Total mission support and other donations	8,418	8,000

10. Tangible assets

The CIO has a freehold interest in the property occupied by the Minister at 2 Firs Lane, Winchmore Hill, London N21 2HU. The amount of £568,082 shown in the balance sheet is stated at historical cost.

11. Debtors

	Total Funds 2024 £	Total Funds 2023 £
Tax recoverable on gift aid giving	7,986	3,274
Prepayments	2,984	2,690

Deposits	1904	1,904
Total debtors	12,875	7,867

'Deposits' relates to a rental deposit for the accommodation of the Minister for Youth and Children.

12. Creditors - amounts falling due within one year

	Total Funds 2024 £	Total Funds 2023 £
Capital repayments on mortgage due within one year	(4,836)	(6,345)
Accrued expenses	(1,539)	(5,224)
Total creditors - amounts falling due within one year	(6,375)	(11,569)

13. Creditors - amounts falling due after one year

There is a capital repayment mortgage with a variable interest rate on the property occupied by the Minister (see note 10). At 31 December 2024 the interest rate on the mortgage was 5.9% and the outstanding capital balance on the mortgage was £252,049 (2023 - £286,248). Of this amount, £247,213 (2023 - £279,903) is payable after more than one year.

Note that the trustees made the decision to remortgage the property occupied by the Minister and to pay a lump sum to reduce the outstanding mortgage balance. This was in order to benefit from a lower interest rate and lower monthly mortgage payments. The mortgage was therefore switched to a new lender in May 2024, with an opening mortgage balance of £255,000.

14. Funds

	Opening Balance 2024 £	Incoming Resources 2024 £	Outgoing Resources 2024 £	Transfers 2024 £	Closing Balance 2024 £
General funds	471,303	156,011	(179,014)	(5,000)	443,300
Designated funds					
Property repairs and maintenance fund	4,352	0	(1,572)	5,000	7,780
Total designated funds	4,352	0	(1,572)	5,000	7,780
Total unrestricted funds	475,655	156,011	(180,586)	0	451,080

Restricted funds					
Donations for LCM	318	304	(418)	0	204
Total restricted funds	318	304	(418)	0	204
Total funds	475,973	156,315	(181,004)	0	451,284

	General Funds	Designated Funds	Restricted Funds	Total Funds
	2024	2024	2024	2024
	£	£	£	£
Tangible fixed assets	568,082	0	0	568,082
Debtors	12,834	0	41	12,875
Cash at bank and in hand	115,972	7,780	163	123,915
Creditors - amounts falling due within one year	(6,375)	0	0	(6,375)
Creditors - amounts falling due after one year	(247,213)	0	0	(247,213)
Total net assets	443,300	7,780	204	451,284

	Opening Balance	Incoming Resources	Outgoing Resources	Transfers	Closing Balance
	2023	2023	2023	2023	2023
	£	£	£	£	£
General funds	512,686	121,245	(156,628)	(6,000)	471,303
Designated funds					
Property repairs and maintenance fund	0	0	(1,648)	6,000	4,352
Total designated funds	0	0	(1,648)	6,000	4,352
Total unrestricted funds	512,686	121,245	(158,276)	0	475,655
Restricted funds					
Donations for LCM	0	318	0	0	318
Donations for Easter trail event	0	100	(100)	0	0
Total restricted funds	0	418	(100)	0	318
Total funds	512,686	121,663	(158,376)	0	475,973

	General Funds 2023 £	Designated Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Tangible fixed assets	568,082	0	0	568,082
Debtors	7,809	0	59	7,867
Cash at bank and in hand	186,883	4,352	259	191,495
Creditors - amounts falling due within one year	(11,569)	0	0	(11,569)
Creditors - amounts falling due after one year	(279,903)	0	0	(279,903)
Total net assets	471,303	4,352	318	475,973

15. Related party transactions

The Minister is Revd Jonathan Bell - he is also a trustee.

- He received a stipend, national insurance and pension contributions during the year, the total cost of which was £41,140 (2023 - £40,150). This was paid by the Church Commissioners and funded by the CIO.
- He was reimbursed for expenses totalling £287 (2023 - £482) during the year
- He was provided with accommodation during the year, as is customary for ministers of religion
- He received subsidised council tax and utilities during the year totalling £4,441 (2023 - £4,198)
- He attended conferences, camps and training during the year at a value totalling £839 (2023 - £475)

The Minister for Youth and Children is Laura Smith.

- She received salary, national insurance and pension contributions during the year, the total cost of which was £28,049* (2023 - £10,669)
- She was reimbursed for expenses totalling £365 (2023 - £101) during the year
- She was provided with accommodation during the year, as is customary for ministers of religion
- She received subsidised council tax and utilities during the year totalling £2,364 (2023 - £925)
- She attended conferences, camps and training during the year at a value totalling £394 (2023 - £15)

The Minister for Women and Outreach is Hilary Nicholls.

- She received salary, national insurance and pension contributions during the year, the total cost of which was £17,891* (2023 - £18,777)
- She was reimbursed for expenses totalling £647 (2023 - £501) during the year
- She attended conferences, camps and training during the year at a value totalling £485 (2023 - £32)

*These amounts do not include the negative accrual of £1,152 referred to in note 5.

Note that payments to reimburse the above individuals during the year for purchases they made on behalf of the charity are not included in the above.

No other payments were made to any other related parties during the year other than payments to reimburse them for purchases they made on behalf of the charity.

Note that church staff are not required to pay to attend ticketed church events or weekends together, as they are attending these as part of their roles as church staff. As such, the value of free or subsidised attendance to ticketed church events and weekends together for church staff is not included in the above. Similarly, the value of any books provided to church staff to support them in their roles as church staff are not included in the above.

Total voluntary donations received from related parties during the year were £51,390 excluding gift aid (2023 - £39,040). Where individuals were related parties for only part of the year, their voluntary donations across the whole year have been included in this total.

GRACE CHURCH HIGHLANDS

England & Wales - Charity number 1152828

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Year ended 31 December 2023



GRACE
CHURCH
HIGHLANDS

Annual report of the trustees

Reference and administrative details

Grace Church Highlands CIO is a Charitable Incorporated Organisation registered with the Charity Commission, which regulates charitable organisations in England and Wales. It was formed on 11 July 2013 and is registered under Charity No. 1152828. Its principal office is at 2 Firs Lane, Winchmore Hill, London N21 2HU.

This report covers activities during the 12 months from 1 January 2023 to 31 December 2023. The Trustees of Grace Church Highlands CIO who served during the year were:

Revd Jonathan Bell (Minister & Chair)
Tim Catt (Church Warden)
Jeff Hammer (Church Warden)
Maryam Garcia (Treasurer) - resigned 25 April 2023
Ares Kokkinos (Treasurer) - appointed 21 May 2023
Emily Hammer (Secretary)
Heidi Bennett - appointed 10 July 2023
Marie Haines
Paul Mason
Hilary Nicholls - resigned 20 June 2023
Sheamal Samarasekera

Structure, governance and management

Grace Church Highlands CIO operates under a Constitution which sets out how it is governed and managed. Decisions concerning the operation of the CIO are made by the trustees, who meet 8-10 times annually as Grace Church Council. Apart from the Minister, who is an 'ex officio' trustee, other trustees have terms of appointment of up to four years.

Up to four trustees in total can be nominated by members of the congregation of Grace Church Highlands. The aim is to appoint one trustee a year through this method, with the appointment agreed at the Annual Church Meeting. If unexpected vacancies arise, more than one appointment may be sought. Other trustees are appointed by the existing Board of Trustees (Church Council). The aim is that there should normally be 9 trustees in total, although the constitution allows for a maximum of 12 trustees and a minimum of 3.

New trustees are provided with a copy of the Constitution, a copy of the Bishop's Mission Order relating to the Grace Church Highlands Mission Initiative, and with copies of Charity Commission guidance setting out the responsibilities of CIO trustees.

In the management of the CIO the trustees seek to adhere to charity best practice. This includes establishing robust procedures for dealing with any conflicts of interest that may arise, for the payment of expenses of clergy and others, and for the provision of accommodation for the use of the Minister that is fit for purpose. It also includes written policies both to ensure the health and safety of those involved in

the activities of the church, and to safeguard the welfare of children, young people and vulnerable adults receiving care as well as those working or coming into contact with them.

Objectives, activities and achievements

Grace Church Highlands was originally set up in 2007 as a church plant from Christ Church Cockfosters. It operates under a Bishop's Mission Order in the Diocese of London. On 11 July 2013 it was established as a Charitable Incorporated Organisation independent of Christ Church Cockfosters.

Grace Church Highlands CIO has a Constitution which sets out its charitable objectives and which provides the rules by which it operates. The principal objectives of the CIO are to advance the Christian faith for the benefit of the public by serving and reaching for Christ the community of Highlands Village (in North London) and wider networks of people connected with members of the congregation. The main activities of the CIO are the holding of services of worship, promotion of the study of the Bible, missionary and outreach work. A full copy of the Constitution can be obtained from the Minister, or any of the other trustees.

When framing the objectives, the Trustees have carefully considered the guidance on 'public benefit' published by the Charity Commission (especially the guidance relating to the Advancement of Religion for Public Benefit) and have continued to take account of the Charity Commission's guidance on public benefit when planning activities throughout the year.

Grace Church Highlands does not have its own parish but instead operates within, and cooperates with, the parish of St Peter's Grange Park and its Parochial Church Council.

Our normal pattern is to hold regular weekly services on Sundays at Highlands School Hall, as well as other occasional services. These include groups for children of all ages. Our youth group meets on Sunday evenings in Highlands Village Hall. Other regular activities include 'Sparklers' for pre-school children and their parents/carers on Tuesday mornings in the Village Hall, and 'English For You' for parents at Grange Park Primary School on Wednesdays. These are proving to be very effective in helping us to meet people in Highlands Village, where community is sadly lacking. Our Tuesday Football sessions have paused since the autumn, mostly due to venue issues, but were an effective means of sharing the gospel with a group of young men.

Our bi-weekly services at Elizabeth Lodge Care Home continued, as well as a carol service with children from Grange Park Primary School joining us to sing. We also held a carol service at Blake Court. Our branch groups continued to meet throughout the year. They are a key means by which members of Grace Church Highlands and newcomers can enjoy fellowship with one another, studying the Bible, praying for one another, and encouraging one another to grow in Christlikeness.

'Pop-up Cafés' in Highlands Village Hall were a new initiative in 2023, building on the contacts gained through 'Community Cafés' in previous years. The first took place alongside an Easter Trail around Highlands Village, which has become a feature at Easter as well as Christmas. We were also pleased to be able to hold events such as our Summer Jazz Barbecue, a Christians in Sports quiz, and various events at Christmas. We have run Hope Explored courses and tried to promote use of 'the Word One-to-One.'

There was one baptism during the year and one thanksgiving for the birth of a child. The Minister conducted one burial of ashes, which is recorded in the parish church records at Cockfosters.

Grace Church Highlands is part of the Edmonton Episcopal Area in the Diocese of London, and as part of the Church of England we played a full part in the Deanery and Diocese. At the Annual Meeting in May 2023 the electoral roll of Grace Church Highlands stood at 99 members.

Financial review

Our budget for 2023 projected a deficit of £51,400, and the year closed with an actual deficit of £36,713.

Income from regular giving was £90,212, which was 6% lower than budgeted. Income from one off gifts was £23,288, which was 159% higher than budgeted, primarily due to a financial appeal that took place during the course of the year. The net effect was that income from voluntary donations was 8% higher than budgeted at £113,500, contributing to the lower deficit.

Expenditure was £5,481 below budget, which also contributed to the lower deficit. This was primarily driven by lower than budgeted spend on minister and staff stipend, salaries, expenses and accommodation.

At the end of the year the CIO had cash reserves of £191,495, the vast majority of which are unrestricted. The CIO also had an outstanding mortgage balance of £286,248 on the property occupied by the Minister, and accrued expenses totalling £5,224.

Looking forward to 2024 we are forecasting a deficit of £65,050. This is higher than the actual deficit for 2023, primarily because of our continued investment in the employment of a full-time Minister for Youth and Children (who was only employed for part of 2023).

While the investment in employing a Minister for Youth and Children is a planned investment funded out of the CIO's existing healthy cash reserves, the trustees are conscious that deficits of this size are not sustainable in the long term. The Trustees would like to see the church grow to a point where this level of investment can be funded by in-year donations, but acknowledge that this is likely to be a slow process. In the meantime, the CIO is planning another financial appeal in 2024 in order to enable the church to continue investing in this way for a longer period.

Policy on Reserves

The trustees have determined that the charity should aim to hold unrestricted cash of no less than three months' of unrestricted expenditure, so that the charity could continue to operate should income and/or expenditure vary adversely. Unrestricted expenditure in 2023 was £158,276, so three months' unrestricted expenditure is therefore calculated as £39,569. At the end of 2023, the charity had unrestricted cash of £191,236, and so is complying with its reserves policy.

Independent examiner's report on the accounts

Report to the Trustees / Members on the accounts for the year ended 31 December 2023, as set out on pages 6 to 16

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for the year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. Accordingly, it is my responsibility as independent examiner:

- to examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

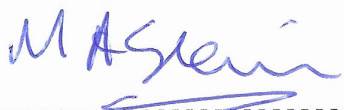
Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit. Consequently, no opinion is given as to whether the accounts present a 'true and fair' view, and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - a. to keep accounting records in accordance with section 130 of the Charities Act; and
 - b. to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Michael Slevin MBA, Ba (Hons) Finance

21st June 2024

40 East View
Barnet EN5 5TN

Statement of financial activities

For the year ended 31 December 2023

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income					
Voluntary donations	3	113,082	418	113,500	103,771
Income from charitable activities	4	3,457	0	3,457	1,932
Interest		4,706	0	4,706	1,826
Total income		121,245	418	121,663	107,529
Expenditure					
Minister and staff stipend, salaries and expenses	5	83,603	0	83,603	69,216
Minister and staff accommodation	6	35,849	0	35,849	17,436
Venue hire for church services		15,512	0	15,512	14,011
Church running costs	7	3,975	0	3,975	5,474
Evangelism, discipleship and training	8	11,337	100	11,437	11,275
Mission support and other donations	9	8,000	0	8,000	5,300
Total expenditure		158,276	100	158,376	122,712
Net income and movement in funds		(37,031)	318	(36,713)	(15,183)
Reconciliation of funds					
	14				
Total funds brought forward		512,686	0	512,686	527,869
Total funds carried forward		475,655	318	475,973	512,686

The notes on pages 9 to 16 form part of these accounts.

Balance sheet

At 31 December 2023

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Fixed assets					
Tangible assets	10	568,082	0	568,082	568,082
Total fixed assets		568,082	0	568,082	568,082
Current assets					
Debtors	11	7,809	59	7,867	9,680
Cash at bank and in hand		191,236	259	191,495	231,754
Total current assets		199,044	318	199,362	241,434
Current liabilities					
Creditors - amounts falling due within one year	12	(11,569)	0	(11,569)	(13,277)
Total current liabilities		(11,569)	0	(11,569)	(13,277)
Net current assets		187,475	318	187,793	228,157
Total assets less current liabilities		755,558	318	755,875	796,239
Long-term liabilities					
Creditors - amounts falling due after one year	13	(279,903)	0	(279,903)	(283,553)
Total long-term liabilities		(279,903)	0	(279,903)	(283,553)
Total net assets		475,655	318	475,973	512,686
Fund balances					
General funds	14	471,303	0	471,303	512,686
Designated funds		4,352	0	4,352	0
Total unrestricted funds		475,655	0	475,655	512,686
Restricted funds		0	318	318	0
Total restricted funds		0	318	318	0
Total funds		475,655	318	475,973	512,686

The notes on pages 9 to 16 form part of these accounts.

The financial statements were approved by the Church Council on 20th May 2024 and signed on its behalf by: The Revd Jonathan Bell (Minister and Chair of the Church Council) and Tim Catt (Church Warden)





Notes to the financial statements

For the year ended 31 December 2023

1. Statutory information

The charity is a charitable incorporated organisation registered with the Charity Commission in England & Wales. The charity's registered number and contact address can be found on the Charity Information page.

2. Accounting policies

Basis of financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Income

Voluntary donations are generally recognised when received. Where donations have been pledged or the church is notified that it is due a legacy distribution, these are recognised at the time of the pledge / notification if the amount to be received can be reliably determined. Recoverable gift aid is recognised at the same time as the donation to which it relates.

Income collected in respect of appeals made on behalf of other charities is held in restricted funds and subsequently paid to those charities.

Income from charitable activities represents income from goods and services supplied in furtherance of the charity's charitable objectives. It includes income from church events. Income from charitable activities is recognised when received.

Interest income is accrued and recognised in the period in which it is earned.

Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred (i.e. in the period to which it relates) or, if earlier, when a constructive obligation for a payment arises.

The cost of raising funds is not significant and has not been separately disclosed.

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. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors.

Fixed assets

The property occupied by the Minister is accounted for at historical cost. It is not depreciated as it is the CIO's policy to continuously maintain the property to a high standard. Repairs and maintenance costs arising during the year are recognised in the Statement of Financial Activities under the heading 'Minister and staff accommodation' and are paid out of the 'Property repairs and maintenance' designated fund.

Movable church furnishings and equipment with an individual cost of less than £1,000 are written off when purchased.

Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remain outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

Exemption from preparing a cash flow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

Reclassifications in the Statement of Financial Activities

Income from charitable activities is now shown as a separate income item in the Statement of Financial Activities. Previously these amounts were netted off against the expenditure on these activities. Furthermore, many expenditure categories and sub-categories in the Statement of Financial Activities have been reclassified to more clearly reflect the church's expenditure. Note that 2022 comparators have been reclassified on the same basis as far as possible, to allow for like-for-like comparisons with the 2023 figures.

3. Voluntary donations

	Total Funds 2023 £	Total Funds 2022 £
Regular donations		
Regular gift aid donations	65,525	70,159
Tax recoverable on regular gift aid donations	16,381	17,540
Other regular donations	8,306	7,642
Total regular donations	90,212	95,341
Occasional donations		
Occasional gift aid donations	15,337	6,744
Tax recoverable on occasional gift aid donations	4,188	1,686
Other occasional donations	3,763	0
Total occasional donations	23,288	8,430
Total voluntary donations	113,500	103,771

£318 (including gift aid) was collected on behalf of another charity (London City Mission), and held in a restricted fund. £100 was received towards the cost of the Easter Trail event, and held in a restricted fund.

'Tax recoverable on occasional gift aid donations' includes £354 that relates to a previous year.

4. Income from charitable activities

	Total Funds 2023 £	Total Funds 2022 £
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Regular outreach activities	1,822	1,280
Occasional outreach activities	925	262
Youth and children's work	440	350
Literature and publicity	270	40
Conferences, camps and training	0	0
Total income from charitable activities	3,457	1,932

5. Minister and staff stipend, salaries and expenses

	Total Funds 2023 £	Total Funds 2022 £
Minister and staff stipend, salaries, pension and national insurance	82,299	68,095
Minister and staff expenses	1,304	1,121
Total minister and staff stipend, salaries and expenses	83,603	69,216

6. Minister and staff accommodation

	Total Funds 2023 £	Total Funds 2022 £
Mortgage interest	22,723	12,722
Rent	8,197	0
Council tax, utilities and insurance	5,819	4,714
Repairs and maintenance	(889)	0
Total minister and staff accommodation	35,849	17,436

'Repairs and maintenance' includes a reversal of accruals totalling £2,537 from previous years. A new 'Property repairs and maintenance' designated fund has been created by the trustees.

7. Church running costs

	Total Funds 2023 £	Total Funds 2022 £
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Website, subscriptions and licences	647	625
Refreshments	1,195	353
Insurance	1,424	1,333
Contribution to LDF common fund	0	3,000
Other	709	163
Total church running costs	3,975	5,474

8. Evangelism, discipleship and training

	Total Funds 2023 £	Total Funds 2022 £
Regular outreach activities	2,481	3,208
Occasional outreach activities	2,494	1,098
Youth and children's work	2,155	2,081
Literature and publicity	2,096	1,385
Conferences, camps and training	2,211	3,503
Total evangelism, discipleship and training	11,437	11,275

9. Mission support and other donations

	Total Funds 2023 £	Total Funds 2022 £
Mission partners - Overseas	3,000	3,000
Mission partners - UK	1,500	2,000
Other mission support and donations	3,500	300
Total mission support and other donations	8,000	5,300

'Mission Partners - UK' includes a reversal of accruals totalling £500 from previous years.

10. Tangible assets

The CIO has a freehold interest in the property occupied by the Minister at 2 Firs Lane, Winchmore Hill, London N21 2HU. The amount of £568,082 shown in the balance sheet is stated at historical cost.

11. Debtors

	Total Funds 2023 £	Total Funds 2022 £
Tax recoverable on gift aid giving	3,274	7,095
Prepayments	2,690	2,585
Deposits	1,904	0
Total debtors	7,867	9,680

'Deposits' relates to a rental deposit for the accommodation of the Minister for Youth and Children.

12. Creditors - amounts falling due within one year

	Total Funds 2023 £	Total Funds 2022 £
Capital repayments on mortgage due within one year	(6,345)	(9,259)
Accrued expenses	(5,224)	(4,018)
Total creditors - amounts falling due within one year	(11,569)	(13,277)

13. Creditors - amounts falling due after one year

There is a capital repayment mortgage with a variable interest rate on the property occupied by the Minister (see note 9). At 31 December 2023 the interest rate on the mortgage was 8.25% and the outstanding balance on the mortgage was £286,248 (2022 - £292,813). Of this amount, £279,903 (2022 - £283,553) is payable after more than one year.

14. Funds

	Opening Balance 2023 £	Incoming Resources 2023 £	Outgoing Resources 2023 £	Transfers 2023 £	Closing Balance 2023 £
General funds	512,686	121,245	(156,628)	(6,000)	471,303
Designated funds					
Property repairs and maintenance fund	0	0	(1,648)	6,000	4,352

Total designated funds	0	0	(1,648)	6,000	4,352
Total unrestricted funds	512,686	121,245	(158,276)	0	475,655
Restricted funds					
Donations for LCM	0	318	0	0	318
Donations for Easter trail event	0	100	(100)	0	0
Total restricted funds	0	418	(100)	0	318
Total funds	512,686	121,663	(158,376)	0	475,973

	General Funds	Designated	Restricted	Total Funds
	2023	Funds	Funds	2023
	£	£	£	£
Tangible fixed assets	568,082	0	0	568,082
Debtors	7,809	0	59	7,867
Cash at bank and in hand	186,883	4,352	259	191,495
Creditors - amounts falling due within one year	(11,569)	0	0	(11,569)
Creditors - amounts falling due after one year	(279,903)	0	0	(279,903)
Total net assets	471,303	4,352	318	475,973

	Total Funds
	2022
	£
Total funds brought forward	527,869
Incoming resources	107,529
Outgoing resources	122,712
Total funds carried forward	512,686

The trustees created a new 'Property repairs and maintenance' designated fund and transferred an opening balance of £6,000 into the fund.

15. Related party transactions

The Minister, Revd Jonathan Bell, is a trustee.

- He received a stipend, national insurance and pension contributions during the year, the total cost of which was £40,150 (2022 - £40,225)
- He was reimbursed for expenses totalling £482 (2022 - £373) during the year

- He was provided with accommodation during the year, as is customary for ministers of religion
- He received subsidised council tax and utilities during the year totalling £4,198 (2022 - £4,714)
- He attended conferences, camps and training during the year at a value totalling £475 (2022 - £310)

The Minister for Youth and Children (from September 2023) is Laura Smith.

- She received salary, national insurance and pension contributions during the year, the total cost of which was £10,669
- She was reimbursed for expenses totalling £101 during the year
- She was provided with accommodation during the year, as is customary for ministers of religion
- She received subsidised council tax and utilities during the year totalling £925
- She attended conferences, camps and training during the year at a value totalling £15

The Minister for Women and Outreach, Hilary Nicholls, was a trustee until 20 June 2023.

- She received salary, national insurance and pension contributions during the year, the total cost of which was £18,777 (2022 - £18,128)
- She was reimbursed for expenses totalling £501 (2022 - £424) during the year
- She attended conferences, camps and training during the year at a value totalling £32 (2022 - £395)

The Ministry Associate (until August 2023) was Jonathan Haines.

- He received salary, national insurance and pension contributions during the year, the total cost of which was £12,703 (2022 - £9,836)
- He was reimbursed for expenses totalling £220 during the year (2022 - £329)
- He attended conferences, camps and training during the year at a value totalling £1,649 (2022 - £2,462)

Note that payments to reimburse the above individuals during the year for purchases they made on behalf of the charity are not included in the above.

No other payments were made to any other related parties during the year other than payments to reimburse them for purchases they made on behalf of the charity.

Total voluntary donations received from related parties during the year were £39,040 excluding gift aid (2022 - £36,334). Where individuals were related parties for only part of the year, their voluntary donations across the whole year have been included in this total.

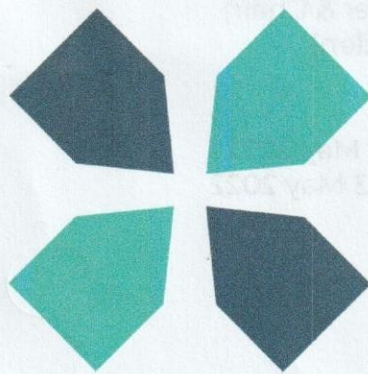
GRACE CHURCH HIGHLANDS

England & Wales - Charity number 1152828

Accounts

Grace Church Highlands CIO Annual Report and Financial Statements

Year ended 31 December 2022



GRACE CHURCH HIGHLANDS

GRACE CHURCH HIGHLANDS CIO

ANNUAL REPORT OF THE TRUSTEES

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This report covers activities during the 12 months from 1 January to 31 December 2022. The Trustees of Grace Church Highlands CIO who served during the year were:

Revd Jonathan Bell (Minister & Chair)
Jeff Hammer (Church Warden)
Tim Catt (Church Warden)
Maryam Garcia (Treasurer)
Kate Douglas - resigned 29 May 2022
Marie Haines - appointed 23 May 2022
Paul Mason
Sheamal Samarasekera
Emily Hammer (Secretary)
Hilary Nicholls

Structure, governance and management

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of the church, and to safeguard the welfare of children, young people and vulnerable adults receiving care as well as those working or coming into contact with them.

Objectives, activities and achievements

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Grace Church Highlands CIO has a Constitution which sets out its charitable objectives and which provides the rules by which it operates. The principal objects of the CIO are to advance the Christian faith for the benefit of the public by serving and reaching for Christ the community of Highlands Village (in North London) and wider networks of people connected with members of the congregation. The main activities of the CIO are the holding of services of worship, promotion of the study of the Bible, missionary and outreach work. A full copy of the Constitution can be obtained from the Minister, or any of the other trustees.

When framing the objectives, the Trustees have carefully considered the guidance on 'public benefit' published by the Charity Commission (especially the guidance relating to the Advancement of Religion for Public Benefit) and have continued to take account of the Charity Commission's guidance on public benefit when planning activities throughout the year.

Grace Church Highlands does not have its own parish but instead operates within, and cooperates with, the parish of St Peter's Grange Park and its Parochial Church Council.

Our normal pattern is to hold regular weekly services on Sundays at Highlands School Hall, as well as other occasional services. These include groups for children of all ages. We have been very glad to hold services throughout 2022 without Covid restrictions, including special services for Easter and Christmas, for example.

Our bi-weekly services at Elizabeth Lodge Care Home continued sporadically due to frequent and unfortunate Covid outbreaks. We were very glad to hold a carol service there, with some children from Grange Park Primary School joining us to sing. We also held a carol service at Blake Court, after a two-year absence. Our branch groups continued to meet throughout the year. They are a key means by which members of Grace Church Highlands and newcomers can enjoy fellowship with one another, studying the Bible, praying for one another, and encouraging one another to grow in Christlikeness. In the summer term the groups used evangelism training materials from A Passion for Life.

In April, we held a joint evangelistic event with St Thomas Oakwood as part of the national 'A Passion for Life' initiative. We were also pleased to be able to hold events such as our Tuesday Football, Summer Jazz Barbecue, a Christians in Sports quiz, and a Fifa tournament, supporting 'Justice United' during the World Cup. English For You has continued to meet at Grange Park Primary School, which continues to provide a vital means for us to meet and serve members of the local community around Highlands. Our new playgroup, 'Sparklers,' started in April, which has also served this purpose very well. It includes free play for pre-school children, refreshments, songs

and a short Bible talk. We have run *Hope Explored* courses in person and tried to promote use of 'the Word One-to-One.'

There were four baptisms during the year. The minister conducted three funerals and one wedding for Grace Church members, which are recorded in the relevant parish churches.

Grace Church Highlands is part of the Edmonton Episcopal Area in the Diocese of London, and as part of the Church of England we played a full part in the Deanery and Diocese. At the Annual Meeting in May 2021 the electoral roll of Grace Church Highlands stood at 91 members.

Financial review

Our budget for 2022 was for a deficit of £30,500. This budget assumed that regular giving would increase by a token of 1% and that one-off giving would increase slightly as we planned small appeals during the year. Regular giving held up very well, as it did in the previous year, showing an increase of c. 1%. One-off gifts were £8,430 more than budgeted, largely due to one off gift of £5,000 received during the year.

As regards expenditure, the amount spent on Minister for Women and Outreach and the Ministry Associate moved from Evangelism cost to Minister and Staff Stipend to reflect a clearer view on expenditures. We took the opportunity to advance our longer term plans to reach people in our community by establishing the Sparklers playgroup for children in Highlands Village Hall for Outreach, which led to an increase of £587 in Evangelism costs against the budget.

During the year, we did not employ a Minister for Youth and Children as budgeted in 2022, but took on a part-time Ministry Associate. This significantly reduced our planned expenditure and allowed us to restrict the deficit to £15,183 for the year, which was c.£15,317 lower than the amount budgeted.

Looking forward to 2023 our new budget reflects a planned increase in expenditure related to the part-time Minister for Women and Outreach, and the full time Minister for Youth and Children plus accommodation, and so assumes a deficit for the year of £51,400 based on income only marginally up (by 1.1%). It should be emphasised that this is very much a planned deficit, reflecting an increased level of investment in our Mission Initiative which we are funding out of the existing liquid resources. At the end of the year the CIO had cash reserves of £231,754 which, whilst healthy, will not obviate the need for appeals from time to time for specific projects which support our objectives and are worthy of funding.

Policy on Reserves

All the current funds are unrestricted by nature and so are available to be used as the Trustees and church members generally see fit. However, the work that the CIO carries out in advancing the Christian faith for the benefit of the public in the community of Highlands Village and further afield is, by its nature, a long-term endeavour and relies entirely on the support of individuals.

Accordingly, prudence must be observed to ensure that the CIO can ride out any shortage in incoming resources over a number of years. In such a situation, and with the majority of incoming resources still tied to the provision of stipends and accommodation that are essential for Grace Church Highlands to continue its work, the current level of reserves is not excessive: The CIO has a mortgage of c. £292,813 to fund, albeit over the next 20+ years.

In coming years, and as shown by the budget for 2022, the expectation is that expenditure will increase from the current level and result in deficits in some years, this will absorb part of the CIO's funds, although care will be taken to keep the overall level of deficits to a manageable level so as not to threaten the mission of Grace Church in the long term.

GRACE CHURCH HIGHLANDS CIO

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the Trustees / Members on the accounts for the year ended 31 December 2022 set out on pages 7 to 14

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for the year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. Accordingly, it is my responsibility as independent examiner:

- to examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

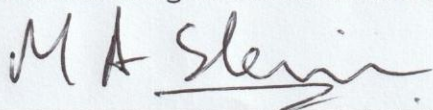
Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit. Consequently, no opinion is given as to whether the accounts present a 'true and fair' view, and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Michael Slevin MBA, Ba (Hons) Finance

22nd May 2023

40 East View
Barnet EN5 5TN

GRACE CHURCH HIGHLANDS CIO

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2022

<i>Unrestricted Funds</i>	Note	Year to 31 December 2022	Year to 31 December 2021
Income		£	£
Voluntary income			
Regular giving	2	95,341	88,134
Occasional giving	2	8,430	10,755
Interest and other income		1,826	808
Total income		105,597	99,697
Expenditure (Church activities)			
Minister & Staff stipend & expenses	3 a)	72,927	40,742
Minister accommodation	3 b)	17,077	18,008
Hire of venue for Church services		15,872	6,788
Evangelism activities	4	9,598	33,270
Church running costs	5	5,306	4,856
Total expenditure		120,780	103,664
Net income and movement in funds		(15,183)	(3,967)
Balance brought forward		527,869	531,836
Balance carried forward	10	512,686	527,869

The notes on pages 9 to 14 form part of these accounts.

GRACE CHURCH HIGHLANDS CIO

BALANCE SHEET

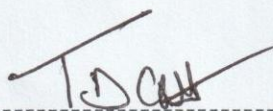
At 31 December 2022

	Note	At 31 December 2022	At 31 December 2021
		£	£
Tangible fixed asset	6	568,082	568,082
Current assets			
Debtors and prepayments	7	9,680	7,083
Cash at bank and in hand		231,754	268,291
Liabilities			
Creditors - amounts falling due within one year	8	(13,277)	(23,638)
Net current assets		228,157	251,736
Total assets less current liabilities		796,239	819,818
Creditors - amounts falling due after one year	9	(283,553)	(291,949)
Total net assets		512,686	527,869
Funds (unrestricted)	10	512,686	527,869

The notes on pages 9 to 14 form part of these accounts.

Approved by the Church Council on 24 April 2023 and signed on its behalf by:
The Revd Jonathan Bell (Chairman of the Church Council) and Tim Catt
(Church Warden)





GRACE CHURCH HIGHLANDS CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1. ACCOUNTING POLICIES

Basis of financial statements

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities and applicable Financial Reporting Standard (FRS) 102. They have been prepared under the historical cost convention.

Fund accounting

The unexpended funds of the CIO, represented by its net assets, are held by its trustees on trust. They are not restricted to any particular charitable purpose and can be used for any of the CIO's charitable aims.

Income

Planned giving, collections and similar donations are recognised when received unless they relate to amounts pledged for an appeal or other fund-raising for a specific event or year, or to a legacy or bequest made in a particular year, in which case they are treated as part of the income for that year. Tax refunds are recognised at the same time as the incoming resource to which they relate. Interest and other income is recognised as and when received.

All incoming resources are accounted for gross, unless they relate to contributions received in respect of church outreach events considered to be immaterial in the context of church activities, in which case the net deficit on the event is shown under the heading 'Evangelism' in the Statement of Financial Activities.

Income received in advance is deferred to the extent that it relates to, and is to be matched with, expenditure arising in a subsequent period.

Income collected in respect of appeals made on behalf of other charities (which is paid over to those charities) is not included in the accounts of the CIO but is listed in a note to the accounts (note 2).

Expenditure

Grants and donations are accounted for when paid, or in the year when awarded if that award either creates an obligation of the CIO to pay it or it is made out of incoming resources for that year. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

The property occupied by the Minister is accounted for at historical cost. It is not depreciated as it is the CIO's policy to continuously maintain the property to a

high standard. Maintenance and refurbishment costs arising from wear and tear during the year are recognised in the Statement of Financial Activities under the heading 'Ministry: Clergy accommodation' and a provision made to the extent that such costs have been incurred but not yet paid.

Movable church furnishings and equipment with an individual cost of less than £1,000 are written off when purchased. Nevertheless, they are held by the Minister and Church Wardens for the CIO and are listed in the church's inventory.

2. VOLUNTARY INCOME

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Regular giving		
Planned giving (Gift Aid)	70,159	63,448
Tax recoverable	17,540	15,862
Other planned giving	7,642	8,824
Total regular giving	95,341	88,134
Occasional giving		
One-off gifts (Gift Aid)	6,744	8,428
Tax recoverable	1,686	2,107
Other occasional giving	-	220-
Total occasional giving	8,430	10,755

Other planned and other occasional giving includes amounts received through stewardship vouchers and Give As You Earn, which is received inclusive of any tax. It also includes other regular income such as non Gift-aided donations. One-off gifts include amounts totalling £883 (2021 - £408) received through the collection box.

Amounts received from specific collections during the year made for other charities, which were paid over to those charities (see note 4), amounted to £211 (2021 - £147).

3. Minister & Staff COSTS

Under the Supplementary Instrument to the Bishop's Mission Order that the CIO operates under, the CIO is required to make provision for the Minister's stipend, housing, pension, expenses and any allowances to ensure that, as far as possible, they are the same as an incumbent of a benefice in the Diocese of London would receive.

The Minister's stipends is paid through the Diocese of London, with the CIO paying into the London Diocesan Fund the equivalent of the cost of an "Off Common Fund" incumbent post to meet the Minister's salary and associated costs (see note 11 Related Parties). The Minister's housing is also provided directly by the CIO. In 2022, staff salaries of Hilary Nicholls, the Minister for Women and Outreach, and Jonathan Haines, Ministry Associate moved from Evangelism (Note 4) to Minister & Staff stipend.

a) Minister & Staff stipends and expenses comprise the following: -

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Minister & Staff's stipend, Pension & NI	69,876	39,900
Minister & Staff's resources and expenses	3,051	842
	72,927	40,742

b) Minister accommodation and running costs comprise the following:-

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Mortgage interest on Minister's accommodation	12,722	9,504
Running costs	1,059	4,184
Repairs and maintenance	3,296	4,320
	17,077	18,008

4. EVANGELISM ACTIVITIES

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Regular outreach (youth, children, EFY, Sparklers)	1,703	25,492
Occasional outreach events	893	517

Donations and mission support	5,000	5,184
Literature, reaching out and other costs	2,002	2,077
	9,598	33,270

Regular outreach amounted to £1,703 (2021 - £18,861)

Outreach event costs are shown net of associated contributions of £302 (2021 - £246).

Donations and mission support comprise: -

	£
Mission partners – India	3,000
Mission partners – Two: Nineteen (UK)	2,000

They also include other donations made from specific appeals during the year, collections for which are subsequently paid over to the charities concerned (see also note 2). The total amount collected including Gift Aid was £147 which was paid to the following: -

	£
London City Mission	211

5. CHURCH RUNNING COSTS

Church running costs comprise the following: --

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Refreshments and consumables	353	50
Insurance	1,333	1,241
Website, printing and promotion	538	637
Contribution to LDF Common Fund	3,000	2,500
Other costs	82	428
	5,306	4,856

6. TANGIBLE FIXED ASSET

The CIO has a freehold interest in the property occupied by the Minister at 2 Firs Lane, London N21. The amount of £568,082 shown in the balance sheet is stated at historical cost.

7. DEBTORS AND PREPAYMENTS

Debtors and prepayments comprise the following: -

	At 31 December 2022	At 31 December 2021
	£	£
Tax recoverable	7,095	5,814
Prepayments & deposits	2,585	1,269
	9,680	7,083

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Short-term creditors are represented by: -

	At 31 December 2022	At 31 December 2021
	£	£
Capital repayments on mortgage (see note 9)	9,259	10,122
Accrued expenses	4,018	13,516
	13,277	23,638

9. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

The property at 2 Firs Lane (see note 6) was originally acquired with the aid of a capital and interest repayment mortgage due to be repaid in full in February 2043 and bears interest at a variable rate of 6.5% above base rate. At 31 December 2022 the interest rate on the outstanding amount of £292,813 (2021 - £302,072) was 3.25% (2020 - 3%). Of this amount, £283,553 (2021 - £291,949) is payable after more than one year.

10. FUNDS

Unrestricted Funds	At 31 December 2022	At 31 December 2021
	£	£
At 1 January	527,869	531,836
Incoming resources	105,597	99,697
Resources expended	(120,780)	(103,664)
At 31 December	512,686	527,869

11. RELATED PARTY TRANSACTIONS

The Minister of Grace Church Highlands, Revd Jonathan Bell, is an ex-officio Trustee and member of the Church Council. He is employed by Grace Church Highlands and received a stipend during the year of £27,900 (2021 - £27,900). He was also reimbursed amounts for expenses totalling £1,517 in the period (2021 - £842).

Other employment costs reflected under Ministry Costs (see note 3) relate to National Insurance, pension and other contributions for the minister made through the Diocese of London.

The Minister for Women and Outreach, Hilary Nicholls, received a salary during the year of £18,060 (2021 - £15,318).

The Ministry Associate (from 1 Sept 2022), Jonathan Haines, received a salary during the year of £11,591.

No payments were made to any other trustee, persons closely connected to them or related parties other than in respect of reimbursement at cost of small amounts of expenditure incurred in administering the church or running church and outreach events. No benefit has been derived by these persons from the payments made.

12. COMMITMENTS

Grace Church Highlands has not made any commitments beyond annual contracts with a number of regular suppliers. The hire of the venue for church services is contracted on a termly basis.

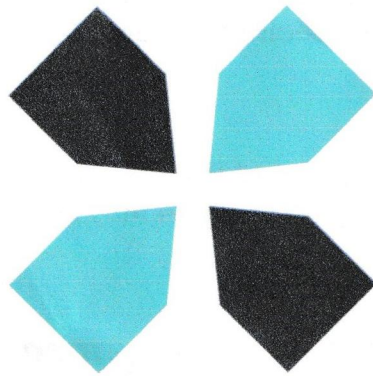
GRACE CHURCH HIGHLANDS

England & Wales - Charity number 1152828

Accounts

**Grace Church Highlands CIO
Annual Report and Financial Statements**

Year ended 31 December 2021



**GRACE
CHURCH
HIGHLANDS**

GRACE CHURCH HIGHLANDS CIO

ANNUAL REPORT OF THE TRUSTEES

Reference and administrative details

Grace Church Highlands CIO is a Charitable Incorporated Organisation registered with the Charity Commission, which regulates charitable organisations in England and Wales. It was formed on 11 July 2013 and is registered under Charity No. 1152828. Its registered and principal office is at 2 Firs Lane, Winchmore Hill, London N21 2HU.

This report covers activities during the 12 months from 1 January to 31 December 2021. The Trustees of Grace Church Highlands CIO who served during the year were:

Revd Jonathan Bell (Minister & Chair)
Jeff Hammer (Church Warden)
Tim Catt (Church Warden)
Paul Stockton (Treasurer) - resigned 12 July 2021
Maryam Garcia (Treasurer) - appointed 5 July 2021
Kate Douglas
Paul Mason
Sheamal Samarasekera
Elena Bennett (Secretary) - resigned 11 August 2021
Emily Hammer (Secretary) - appointed 24 May 2021
Hilary Nicholls

Structure, governance and management

Grace Church Highlands CIO operates under a Constitution which sets out how it is governed and managed. Decisions concerning the operation of the CIO are made by the trustees, who usually meet monthly as Grace Church Council. Apart from the Minister, who is an 'ex officio' trustee, other trustees have terms of appointment of up to four years.

Up to four trustees in total can be nominated by members of the congregation of Grace Church Highlands. The aim is to appoint one trustee a year through this method, with the appointment agreed at the Annual Church Meeting. If unexpected vacancies arise, more than one appointment may be sought. Other trustees are appointed by the existing Board of Trustees (Church Council). The aim is that there should normally be 9 trustees in total, although the constitution allows for a maximum of 12 trustees and a minimum of 3.

New trustees are provided with a copy of the Constitution, a copy of the Bishop's Mission Order relating to the Grace Church Highlands Mission Initiative, and with copies of Charity Commission guidance setting out the responsibilities of CIO trustees.

In the management of the CIO the trustees seek to adhere to charity best practice. This includes establishing robust procedures for dealing with any conflicts of interest that may arise, for the payment of expenses of clergy and others, and for the provision of accommodation for the use of the Minister that is fit for purpose. It

also includes written policies both to ensure the health and safety of those involved in the activities of the church, and to safeguard the welfare of children, young people and vulnerable adults receiving care as well as those working or coming into contact with them.

Objectives, activities and achievements

Grace Church Highlands was originally set up in 2007 as a church plant seeded from Christ Church Cockfosters. It is primarily, but not exclusively, a Mission Initiative under a Bishop's Mission Order in the Diocese of London. On 11 July 2013 it was established as a Charitable Incorporated Organisation independent of Christ Church Cockfosters although it still maintains close links with this church and its Parochial Church Council.

Grace Church Highlands CIO has a Constitution which sets out its charitable objectives and which provides the rules by which it operates. The principal objects of the CIO are to advance the Christian faith for the benefit of the public by serving and reaching for Christ the community of Highlands Village (in North London) and wider networks of people connected with members of the congregation. The main activities of the CIO are the holding of services of worship, promotion of the study of the Bible, missionary and outreach work. A full copy of the Constitution can be obtained from the Minister, or any of the other trustees.

When framing the objectives, the Trustees have carefully considered the guidance on 'public benefit' published by the Charity Commission (especially the guidance relating to the Advancement of Religion for Public Benefit) and have continued to take account of the Charity Commission's guidance on public benefit when planning activities throughout the year.

Grace Church Highlands does not have its own parish but instead operates within, and cooperates with, the parish of St Peter's Grange Park and its Parochial Church Council.

Our normal pattern is to hold regular weekly services on Sundays at Highlands School Hall, as well as other occasional services. These include groups for children of all ages. At the start of 2021, this was still not possible due to the Covid-19 pandemic, although we were grateful to meet occasionally on Sunday afternoons at St Thomas Church in Oakwood. Our usual Sunday services continued to be held on Zoom until April, when we were able to return to Highlands School. Initially, several restrictions were in place, either set by the national Government or by the school, but these were eased over many months. We were glad to hold in-person services at Christmas, including the Jazz Café Carols, a Christingle, and a Christmas Day service, although attendance at these was sadly limited due to the 'Omicron variant.'

Our bi-weekly services at Elizabeth Lodge Care Home started back in the autumn, and some children from Grange Park Primary School sang to the residents over Zoom for a 'virtual carol service' in December. Our branch groups continued to meet throughout the year, moving from mostly online meetings to physical gatherings as the months progressed. They are a key means by which members of Grace Church Highlands and newcomers can enjoy fellowship with one another, studying the Bible, praying for one another, and encouraging one another to grow in Christlikeness.

As in 2020, the Covid pandemic meant that we were unable to run several of the events and activities that we otherwise would have planned, such as the summer jazz barbecue. Nevertheless, as restrictions eased we were able to restart some groups such as youth football on Tuesday evenings. English For You was able to return to meeting at Grange Park Primary School after having been limited to Zoom and occasional meetings in parks. We have run *Christianity Explored* courses online as well as meeting several times a year online for prayer meetings. In September we invited all of Highlands Village to join us on a Sunday morning for 'Back to Church Sunday.'

There were two baptisms and one funeral during the year.

Grace Church Highlands is part of the Edmonton Episcopal Area in the Diocese of London, and as part of the Church of England we play a full part in the Deanery and Diocese. At the Annual Meeting in May 2021 the electoral roll of Grace Church Highlands stood at 91 members.

Financial review

Our budget for 2021 was for a small deficit of £6,000, reduced from the surplus of £12,159 recorded for 2020. This budget assumed that regular giving would decrease by a token of 1% and that one-off giving would remain unchanged as we planned no large appeals during the year. Given the exceptional and continued impact of the pandemic the actual level of regular giving held up very well, as it did in the previous year, showing only a small reduction of c. 1%. One-off gifts were £5,755 more than budgeted, largely due to a one off gift of £4,000 received during the year.

As regards expenditure, the amount spent on Clergy resources was c. £1,750 lower than anticipated due to continuing restrictions on church activities during the year. Nevertheless, we took the opportunity to advance our longer term plans to reach people in our community by engaging an additional resource in the form of a temporary trainee Minister for Outreach, which led to an increase of £1,000 in Evangelism costs against the budget.

During the year, we recognised the need to redecorate part of the Minister's accommodation that has become worn and so sub-standard, making a provision of £4,300 to cover this. Despite these one-off costs the additional one off gift noted above allowed us to restrict the deficit to £3,967 for the year, which was c.£2,000 lower than the amount budgeted.

Looking forward to 2022 our new budget reflects a planned increase in expenditure related to the part-time Minister for Women and Outreach, the temporary trainee Minister and the Minister for Youth and Children, and so assumes a deficit for the year of £30,500 based on income only marginally up (by 1%). It should be emphasised that this is very much a planned deficit, reflecting an increased level of investment in our Mission Initiative which we are funding out of the existing liquid resources. At the end of the year the CIO had cash reserves of £268,291 which, whilst healthy, will not obviate the need for appeals from time to time for specific projects which support our objectives and are worthy of funding.

Policy on Reserves

All the current funds are unrestricted by nature and so are available to be used as the Trustees and church members generally see fit. However, the work that the CIO carries out in advancing the Christian faith for the benefit of the public in the community of Highlands Village and further afield is, by its nature, a long-term endeavour and relies entirely on the support of individuals.

Accordingly, prudence must be observed to ensure that the CIO can ride out any shortage in incoming resources over a number of years. In such a situation, and with the majority of incoming resources still tied to the provision of stipends and accommodation, essential for Grace Church Highlands to continue its work, the current level of reserves is not excessive: The CIO has a mortgage of c. £302,000 to fund, albeit over the next 20+ years.

In coming years, and as shown by the budget for 2022, the expectation is that expenditure will increase from the current level and result in deficits in some years, which will absorb part of the CIO's funds, although care will be taken to keep the overall level of deficits to a manageable level so as not to threaten the mission of Grace Church in the long term.

GRACE CHURCH HIGHLANDS CIO

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the Trustees / Members on the accounts for the year ended 31 December 2021 set out on pages 7 to 14

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for the year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. Accordingly, it is my responsibility as independent examiner:

- to examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit. Consequently, no opinion is given as to whether the accounts present a 'true and fair' view, and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Michael Slevin MBA, Ba (Hons) Finance

24th May 2022

40 East View

GRACE CHURCH HIGHLANDS CIO

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2021

<i>Unrestricted Funds</i>	Note	Year to 31 December 2021	Year to 31 December 2020
Income		£	£
Voluntary income			
Regular giving	2	88,134	89,258
Occasional giving	2	10,755	2,174
Interest and other income		808	1,419
Total income		99,697	92,851
Expenditure (Church activities)			
Ministry: Clergy stipend & expenses	3 a)	40,742	40,672
Ministry: Clergy accommodation	3 b)	18,008	19,231
Hire of venue for Church services		6,788	1,886
Evangelism activities	4	33,270	14,033
Church running costs	5	4,856	4,870
Total expenditure		103,664	80,692
Net income and movement in funds		(3,967)	12,159
Balance brought forward		531,836	519,677
Balance carried forward	10	527,869	531,836

The notes on pages 9 to 14 form part of these accounts.

GRACE CHURCH HIGHLANDS CIO

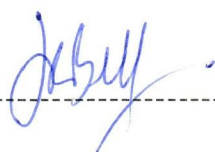
BALANCE SHEET

At 31 December 2021

	Note	At 31 December 2021	At 31 December 2020
		£	£
Tangible fixed asset	6	568,082	568,082
Current assets			
Debtors and prepayments	7	7,083	2,352
Cash at bank and in hand		268,291	280,826
Liabilities			
Creditors - amounts falling due within one year	8	(23,638)	(17,352)
Net current assets		251,736	265,826
Total assets less current liabilities		819,818	833,908
Creditors - amounts falling due after one year	9	(291,949)	(302,072)
Total net assets		527,869	531,836
Funds (unrestricted)	10	527,869	531,836

The notes on pages 9 to 14 form part of these accounts.

Approved by the Church Council on 23 May 2022 and signed on its behalf by:
The Revd Jonathan Bell (Chairman of the Church Council) and Jeff Hammer
(Church Warden)





GRACE CHURCH HIGHLANDS CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. ACCOUNTING POLICIES

Basis of financial statements

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities and applicable Financial Reporting Standard (FRS) 102. They have been prepared under the historical cost convention.

Fund accounting

The unexpended funds of the CIO, represented by its net assets, are held by its trustees on trust. They are not restricted to any particular charitable purpose and can be used for any of the CIO's charitable aims.

Income

Planned giving, collections and similar donations are recognised when received unless they relate to amounts pledged for an appeal or other fund-raising for a specific event or year, or to a legacy or bequest made in a particular year, in which case they are treated as part of the income for that year. Tax refunds are recognised at the same time as the incoming resource to which they relate. Interest and other income is recognised as and when received.

All incoming resources are accounted for gross, unless they relate to contributions received in respect of church outreach events considered to be immaterial in the context of church activities, in which case the net deficit on the event is shown under the heading 'Evangelism' in the Statement of Financial Activities.

Income received in advance is deferred to the extent that it relates to, and is to be matched with, expenditure arising in a subsequent period.

Income collected in respect of appeals made on behalf of other charities (which is paid over to those charities) is not included in the accounts of the CIO but is listed in a note to the accounts (note 2).

Expenditure

Grants and donations are accounted for when paid, or in the year when awarded if that award either creates an obligation of the CIO to pay it or it is made out of incoming resources for that year. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

The property occupied by the Minister is accounted for at historical cost. It is not depreciated as it is the CIO's policy to continuously maintain the property

to a high standard. Maintenance and refurbishment costs arising from wear and tear during the year are recognised in the Statement of Financial Activities under the heading 'Ministry: Clergy accommodation' and a provision made to the extent that such costs have been incurred but not yet paid.

Movable church furnishings and equipment with an individual cost of less than £1,000 are written off when purchased. Nevertheless, they are held by the Minister and Church Wardens for the CIO and are listed in the church's inventory.

2. VOLUNTARY INCOME

	Year to 31 December 2021	Year to 31 December 2020
	£	£
Regular giving		
Planned giving (Gift Aid)	63,448	62,858
Tax recoverable	15,862	15,715
Other planned giving	8,824	10,685
Total regular giving	88,134	89,258
Occasional giving		
One-off gifts (Gift Aid)	8,428	1,739
Tax recoverable	2,107	435
Other occasional giving	220-	-
Total occasional giving	10,755	2,174

Other planned and other occasional giving includes amounts received through stewardship vouchers and Give As You Earn, which is received inclusive of any tax. It also includes other regular income such as non Gift-aided donations. One-off gifts include amounts totalling £408 (2020 - £264) received through the collection box.

Amounts received from specific collections during the year made for other charities, which were paid over to those charities (see note 4), amounted to £147 (2020 - £258).

3. MINISTRY COSTS

Under the Supplementary Instrument to the Bishop's Mission Order that the CIO operates under, the CIO is required to make provision for the Minister's stipend, housing, pension, expenses and any allowances to

ensure that, as far as possible, they are the same as an incumbent of a benefice in the Diocese of London would receive.

The Minister's stipends are paid through the Diocese of London, with the CIO paying into the London Diocesan Fund the equivalent of the cost of an "Off Common Fund" incumbent post to meet the Minister's salary and associated costs (see also note 11 Related Parties). The Minister's housing is also provided directly by the CIO.

a) Ministry stipends and expenses comprise the following: -

	Year to 31 December 2021	Year to 31 December 2020
	£	£
Minister's stipend, Pension & NI	39,900	39,900
Minister's resources and expenses	842	772
	40,742	40,672

b) Ministry accommodation and running costs comprise the following:-

	Year to 31 December 2021	Year to 31 December 2020
	£	£
Mortgage interest on Minister's accommodation	9,504	10,282
Running costs	4,184	3,799
Repairs and maintenance	4,320	5,150
	18,008	19,231

4. EVANGELISM ACTIVITIES

	Year to 31 December 2021	Year to 31 December 2020
	£	£
Regular outreach (youth, children, EFY)	25,492	5,410
Occasional outreach events	517	481
Donations and mission support	5,184	3,698
Literature, reaching out and other costs	2,077	4,444

	33,270	14,033
--	---------------	---------------

Regular outreach includes £18,861 (2020 - £3,126) in respect of the salary, National Insurance and expenses of Hilary Nicholls, the Minister for Women and Outreach, and £2,000 in respect of a temporary Ministry Trainee for the period from September to December 2021.

Outreach event costs are shown net of associated contributions of £246 (2020 - £140).

Donations and mission support comprise: -

	£
Mission partners – India	3,000
Mission partners – Two: Nineteen (UK)	2,000
Others (1)	184

They also include other donations made from specific appeals during the year, collections for which are subsequently paid over to the charities concerned (see also note 2). The total amount collected including Gift Aid was £147 which was paid to the following: -

	£
London City Mission	147

5. CHURCH RUNNING COSTS

Church running costs comprise the following: --

	Year to 31 December 2021	Year to 31 December 2020
	£	£
Refreshments and consumables	50	21
Insurance	1,241	1,129
Website, printing and promotion	637	1,030
Contribution to LDF Common Fund	2,500	2,000
Other costs	428	690
	4,856	4,870

6. TANGIBLE FIXED ASSET

The CIO has a freehold interest in the property occupied by the Minister at 2 Firs Lane, London N21. The amount of £568,082 shown in the balance sheet is stated at historical cost.

7. DEBTORS AND PREPAYMENTS

Debtors and prepayments comprise the following: -

	At 31 December 2021	At 31 December 2020
	£	£
Tax recoverable	5,814	1,249
Prepayments & deposits	1,269	1,103
	7,083	2,352

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Short-term creditors are represented by: -

	At 31 December 2021	At 31 December 2020
	£	£
Capital repayments on mortgage (see note 9)	10,122	9,978
Accrued expenses	13,516	7,374
	23,638	17,352

9. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

The property at 2 Firs Lane (see note 6) was originally acquired with the aid of a capital and interest repayment mortgage due to be repaid in full in February 2043 and bears interest at a variable rate of 3.25% above base rate. At 31 December 2021 the interest rate on the outstanding amount of £302,072 (2020 - £312,050) was 3.0% (2020 - 3.1%). Of this amount, £291,949 (2020 - £302,072) is payable after more than one year.

10. FUNDS

Unrestricted Funds	At 31 December 2021	At 31 December 2020
	£	£
At 1 January	531,836	519,677
Incoming resources	99,697	92,851
Resources expended	(103,664)	(80,692)
At 31 December	527,869	531,836

11. RELATED PARTY TRANSACTIONS

The Minister of Grace Church Highlands, Revd Jonathan Bell, is an ex-officio Trustee and member of the Church Council. He is employed by the Diocese of London and received a stipend during the year of £39,900 (part year 2020 - £39,900). He was also reimbursed amounts for expenses totalling £842 in the period (2020 - £772).

Other employment costs reflected under Ministry Costs (see note 3) relate to National Insurance, pension and other contributions for the minister made through the Diocese of London.

The Minister for Women and Outreach, Hilary Nicholls, received a salary during the year of £15,318 (2020 - £2,553).

No payments were made to any other trustee, persons closely connected to them or related parties other than in respect of reimbursement at cost of small amounts of expenditure incurred in administering the church or running church and outreach events. No benefit has been derived by these persons from the payments made.

12. COMMITMENTS

Grace Church Highlands has not made any commitments beyond annual contracts with a number of regular suppliers. The hire of the venue for church services is contracted on a termly basis but due to the Coronavirus pandemic services were not possible at the venue and therefore no commitments existed at the year-end.

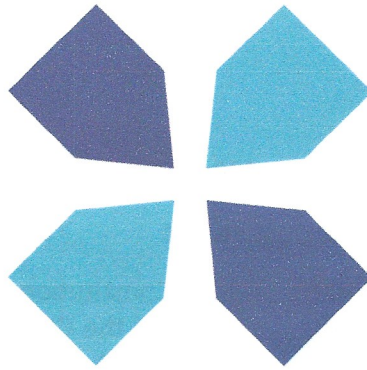
GRACE CHURCH HIGHLANDS

England & Wales - Charity number 1152828

Accounts

**Grace Church Highlands CIO
Annual Report and Financial Statements**

Year ended 31 December 2020



**GRACE
CHURCH
HIGHLANDS**

GRACE CHURCH HIGHLANDS CIO

ANNUAL REPORT OF THE TRUSTEES

Reference and administrative details

Grace Church Highlands CIO is a Charitable Incorporated Organisation registered with the Charity Commission, which regulates charitable organisations in England and Wales. It was formed on 11 July 2013 and is registered under Charity No. 1152828. Its registered and principal office is at 2 Firs Lane, Winchmore Hill, London N21 2HU.

This report covers activities during the 12 months from 1 January to 31 December 2020. The Trustees of Grace Church Highlands CIO who served during the year were:

Revd Jonathan Bell (Minister & Chair)
Jeff Hammer (Church Warden) – reappointed 12 October 2020
Elaine Kelman (Church Warden) – resigned 12 October 2020
Tim Catt (Church Warden) – appointed 18 October 2020
Paul Stockton (Treasurer)
Andy Kelman – resigned 18 October 2020
Kate Douglas
Paul Mason
Sheamal Samarasekera
Elena Bennett (Secretary)
Hilary Nicholls – appointed 12 October 2020

Structure, governance and management

Grace Church Highlands CIO operates under a Constitution which sets out how it is governed and managed. Decisions concerning the operation of the CIO are made by the trustees, who usually meet monthly as Grace Church Council. Apart from the Minister, who is an 'ex officio' trustee, other trustees have terms of appointment of up to four years.

Up to four trustees in total can be nominated by members of the congregation of Grace Church Highlands. The aim is to appoint one trustee a year through this method, with the appointment agreed at the Annual Church Meeting. If unexpected vacancies arise, more than one appointment may be sought. Other trustees are appointed by the existing Board of Trustees (Church Council). The aim is that there should normally be 9 trustees in total, although the constitution allows for a maximum of 12 trustees and a minimum of 3.

New trustees are provided with a copy of the Constitution, a copy of the Bishop's Mission Order relating to the Grace Church Highlands Mission Initiative, and with copies of Charity Commission guidance setting out the responsibilities of CIO trustees.

In the management of the CIO the trustees seek to adhere to charity best practice. This includes establishing robust procedures for dealing with any conflicts of interest that may arise, for the payment of expenses of clergy and others, and for the provision of accommodation for the use of the Minister that is fit for purpose. It also includes written policies both to ensure the health and safety of those involved in the activities of the church, and to safeguard the welfare of children, young people and vulnerable adults receiving care as well as those working or coming into contact with them.

Objectives, activities and achievements

Grace Church Highlands was originally set up in 2007 as a church plant seeded from Christ Church Cockfosters. It is primarily, but not exclusively, a Mission Initiative under a Bishop's Mission Order in the Diocese of London. On 11 July 2013 it was established as a Charitable Incorporated Organisation independent of Christ Church Cockfosters although it still maintains close links with this church and its Parochial Church Council.

Grace Church Highlands CIO has a Constitution which sets out its charitable objectives and which provides the rules by which it operates. The principal objects of the CIO are to advance the Christian faith for the benefit of the public by serving and reaching for Christ the community of Highlands Village (in North London) and wider networks of people connected with members of the congregation. The main activities of the CIO are the holding of services of worship, promotion of the study of the Bible, missionary and outreach work. A full copy of the Constitution can be obtained from the Minister, or any of the other trustees.

When framing the objectives, the Trustees have carefully considered the guidance on 'public benefit' published by the Charity Commission (especially the guidance relating to the Advancement of Religion for Public Benefit) and have continued to take account of the Charity Commission's guidance on public benefit when planning activities throughout the year.

Grace Church Highlands does not have its own parish but instead operates within, and cooperates with, the parish of St Peter's Grange Park and its Parochial Church Council.

Our normal pattern is to hold regular weekly services on Sundays at Highlands School Hall, as well as other occasional services. These include groups for children of all ages. In 2020, the Covid-19 pandemic meant that these services were not held in the same way for the majority of the year. From mid-March until December most of our services were held online, using Zoom. On Easter Sunday and for six more evangelistic services in the summer we produced a service on YouTube, filmed in advance but 'premiered' on Sunday morning. This medium was also used for our carol service.

Our bi-weekly services at Elizabeth Lodge Care Home also had to stop in March and are yet to continue, although we have endeavoured to be in contact by other means when possible. Our six branch groups continued to meet throughout the year, mostly using Zoom but physically in small groups when Covid guidance allowed. They are a key means by which members of Grace Church Highlands and newcomers can enjoy fellowship with one another, studying the Bible, praying for one another, and encouraging one another to grow in Christlikeness.

Sadly, the Covid pandemic meant that we were unable to run several of the events and activities that we otherwise would have planned. In particular, we missed our Fun Day at Sainsbury's, community cafés, youth football for most of the year, the jazz barbecue and the sports quiz.

There were some highlights, though, including a Confirmation service on March 1st, when the Bishop of Edmonton confirmed 7 of our members and also took the opportunity to visit Good News Club. We ran a *Christianity Explored* group in the new year and also met regularly online for prayer meetings, which were often well attended. In fact, Covid restrictions meant that our 'virtual' attendances at Sunday services and other meetings were sometimes higher than they might normally have been as travel was restricted – although even when we could travel, we could still attend an online service!

We were so grateful that our *English For You* classes were finally able to start for parents at Grange Park Primary School in January. Of course these had to stop in March due to Covid, but a group has been meeting online through the rest of the year and we are excited about the opportunities this group brings. Even in the few weeks before lockdown one member of the group had started attending Sunday services for the first time.

In November we were pleased to be able to appoint Hilary Nicholls as part-time Minister for Women and Outreach. This was before Hilary was appointed as a trustee. We have also since the year-end taken on Jonathan Haines as a volunteer Ministry Trainee.

There were two funerals and three baptisms during the year.

Grace Church Highlands is part of the Edmonton Episcopal Area in the Diocese of London, and as part of the Church of England we play a full part in the Deanery and Diocese. At the delayed Annual Meeting in October 2020 the electoral roll of Grace Church Highlands stood at 89 members. We elected Sally Reeve and Jonathan Haines as lay members of the Enfield Deanery Synod.

Financial review

Our budget for 2020 was for a small surplus of £9,000, much reduced from the surplus of £31,538 recorded for 2019. This budget assumed that regular giving would increase by a token 1.7% and that one-off giving would fall as we planned no large appeals during the year. Given the extraordinary background to much of 2020 the actual level of regular giving held up very well, showing only a small reduction of c. 1.3%. One-off gifts fell c. £4,800 short of the amount budgeted, although this was largely because we had no appeals at all during the year.

As regards expenditure, the costs of holding services in Highlands School Hall fell markedly by c. £8,000 as, barring a few short periods, we were only allowed to meet online. Also, plans to engage additional resources in the form of a part-time Minister for Women and Outreach were delayed so led to a saving in Clergy Stipend and allowances of over £10,000 against the budget, although the amount spent was still nearly £4,000 more than in 2019.

Some of the savings were committed to an increase of over £4,000 in literature and outreach costs, which necessarily became one of the main ways for us to reach people in our community. Additionally, we recognised the need to redecorate part of the Minister's accommodation that has become worn and so sub-standard, making a provision of £5,000 to cover this. These one-off costs were nonetheless not enough to offset the savings elsewhere so, at £12,159, the surplus for the year was c.£3,000 more than budgeted.

Looking forward to 2021 our budget reflects the planned increase in expenditure related to the part-time Minister for Women and Outreach and so assumes a deficit for the year of £21,000 based on income only marginally up (by 2%). It should be emphasised that this is very much a planned deficit, reflecting an increased level of investment in our Mission Initiative which we are funding out of the unplanned surpluses accumulated over the past 3 years. The level of liquid resources held at the year end of £280,826, whilst healthy, will not obviate the need for appeals from time to time for specific projects which support our objectives and are worthy of funding.

Policy on Reserves

All the current funds are unrestricted by nature and so are available to be used as the Trustees and church members generally see fit. However, the work that the CIO carries out in advancing the Christian faith for the benefit of the public in the community of Highlands Village and further afield is, by its nature, a long-term endeavour and relies entirely on the support of individuals.

Accordingly, prudence must be observed to ensure that the CIO can ride out any shortage in incoming resources over a number of years. In such a situation, and with the majority of incoming resources still tied to the provision of stipends and accommodation, essential for Grace Church Highlands to continue its work, the current level of reserves is not excessive: The CIO has a mortgage of c. £312,000 to fund, albeit over the next 20+ years.

In coming years, and as shown by the budget for 2021, the expectation is that expenditure will increase from the current level and result in deficits in some years, which will absorb part of the CIO's funds, although care will be taken to keep the overall level of deficits to a manageable level so as not to threaten the mission of Grace Church in the long term.

GRACE CHURCH HIGHLANDS CIO

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the Trustees / Members on the accounts for the year ended 31 December 2020 set out on pages 7 to 14

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for the year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. Accordingly, it is my responsibility as independent examiner:

- to examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.


Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit. Consequently, no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Michael Slevin MBA, Ba (Hons) Finance

8th May 2021

40 East View
Barnet EN5 5TN

GRACE CHURCH HIGHLANDS CIO

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2020

<i>Unrestricted Funds</i>	Note	Year to 31 December 2020	Year to 31 December 2019
Income		£	£
Voluntary income			
Regular giving	2	89,258	90,437
Occasional giving	2	2,174	22,998
Interest and other income		1,419	1,412
Total income		92,851	114,847
Expenditure (Church activities)			
Ministry: Clergy stipend & expenses	3 a)	40,672	36,849
Ministry: Clergy accommodation	3 b)	19,231	15,495
Hire of venue for Church services		1,886	8,492
Evangelism activities	4	14,033	17,503
Church running costs	5	4,870	4,971
Total expenditure		80,692	83,309
Net income and movement in funds		12,159	31,538
Balance brought forward		519,677	488,139
Balance carried forward	10	531,836	519,677

The notes on pages 9 to 14 form part of these accounts.

GRACE CHURCH HIGHLANDS CIO

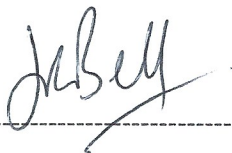
BALANCE SHEET

At 31 December 2020

	Note	At 31 December 2020	At 31 December 2019
		£	£
Tangible fixed asset	6	568,082	568,082
Current assets			
Debtors and prepayments	7	2,352	21,463
Cash at bank and in hand		280,826	252,932
Liabilities			
Creditors - amounts falling due within one year	8	(17,352)	(10,750)
Net current assets		265,826	263,645
Total assets less current liabilities		833,908	831,727
Creditors - amounts falling due after one year	9	(302,072)	(312,050)
Total net assets		531,836	519,677
Funds (unrestricted)	10	531,836	519,677

The notes on pages 9 to 14 form part of these accounts.

Approved by the Church Council on 19 April 2021 and signed on its behalf by: The Revd Jonathan Bell (Chairman of the Church Council) and Jeff Hammer (Vice-Chairman and Church Warden)


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GRACE CHURCH HIGHLANDS CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

1. ACCOUNTING POLICIES

Basis of financial statements

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities and applicable Financial Reporting Standard (FRS) 102. They have been prepared under the historical cost convention.

Fund accounting

The unexpended funds of the CIO, represented by its net assets, are held by its trustees on trust. They are not restricted to any particular charitable purpose and can be used for any of the CIO's charitable aims.

Income

Planned giving, collections and similar donations are recognised when received unless they relate to amounts pledged for an appeal or other fund-raising for a specific event or year, or to a legacy or bequest made in a particular year, in which case they are treated as part of the income for that year. Tax refunds are recognised at the same time as the incoming resource to which they relate. Interest and other income is recognised as and when received.

All incoming resources are accounted for gross, unless they relate to contributions received in respect of church outreach events considered to be immaterial in the context of church activities, in which case the net deficit on the event is shown under the heading 'Evangelism' in the Statement of Financial Activities.

Income received in advance is deferred to the extent that it relates to, and is to be matched with, expenditure arising in a subsequent period.

Income collected in respect of appeals made on behalf of other charities (which is paid over to those charities) is not included in the accounts of the CIO but is listed in a note to the accounts (note 2).

Expenditure

Grants and donations are accounted for when paid, or in the year when awarded if that award either creates an obligation of the CIO to pay it or it is made out of incoming resources for that year. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

The property occupied by the Minister is accounted for at historical cost. It is not depreciated as it is the CIO's policy to continuously maintain the property to a high standard. Maintenance and refurbishment costs arising from wear and tear during the year are recognised in the Statement of Financial Activities under the heading 'Ministry: Clergy accommodation' and a provision made to the extent that such costs have been incurred but not yet paid.

Movable church furnishings and equipment with an individual cost of less than £1,000 are written off when purchased. Nevertheless, they are held by the Minister and Church Wardens for the CIO and are listed in the church's inventory.

2. VOLUNTARY INCOME

	Year to 31 December 2020	Year to 31 December 2019
	£	£
Regular giving		
Planned giving (Gift Aid)	62,858	63,809
Tax recoverable	15,715	15,952
Other planned giving	10,685	10,676
Total regular giving	89,258	90,437
Occasional giving		
One-off gifts (Gift Aid)	1,739	17,675
Tax recoverable	435	4,419
Other occasional giving	-	904
Total occasional giving	2,174	22,998

Other planned and other occasional giving includes amounts received through stewardship vouchers and Give As You Earn, which is received inclusive of any tax. It also includes other regular income such as non Gift-aided donations. One-off gifts include amounts totalling £264 (2019 - £1,064) received through the collection box.

Amounts received from specific collections during the year made for other charities, which were paid over to those charities (see note 4), amounted to £258 (2019 - £530).

3. MINISTRY COSTS

Under the Supplementary Instrument to the Bishop's Mission Order that the CIO operates under, the CIO is required to make provision for the Minister's stipend, housing, pension, expenses and any allowances to ensure that, as far as possible, they are the same as an incumbent of a benefice in the Diocese of London would receive.

The Minister's stipends are paid through the Diocese of London, with the CIO paying into the London Diocesan Fund the equivalent of the cost of an "Off Common Fund" incumbent post to meet the Minister's salary and associated costs (see also note 11 Related Parties). The Minister's housing is also provided directly by the CIO.

a) Ministry stipends and expenses comprise the following:-

	Year to 31 December 2020	Year to 31 December 2019
	£	£
Minister's stipend, allowances, pension & NI	39,900	28,348
Minister's resources and expenses	772	8,501
	40,672	36,849

Resources and expenses in 2019 included resettlement grants made to the incoming Minister of £4,856 and a contribution towards removal costs of £2,443.

b) Ministry accommodation and running costs comprise the following:-

	Year to 31 December 2020	Year to 31 December 2019
	£	£
Mortgage interest on Minister's accommodation	10,282	12,000
Running costs	3,799	3,332
Repairs and maintenance	5,150	163
	19,231	15,495

4. EVANGELISM ACTIVITIES

	Year to 31 December 2020	Year to 31 December 2019
	£	£
Regular outreach (youth, children, EFY)	5,410	5,486
Occasional outreach events	481	1,193
Donations and mission support	3,698	10,472
Literature, reaching out and other costs	4,444	352
	14,033	17,503

Regular outreach includes £3,126 in respect of the salary, National Insurance and expenses of Hilary Nicholls, the new Minister for Women and Outreach, for November and December 2020.

Outreach event costs are shown net of associated contributions of £140 (2019 - £2,091).

Donations and mission support comprise:-

	£
Mission partners – India	3,000
Mission partners – Two:Nineteen (UK)	500
Others (1)	198

They also include other donations made from specific appeals during the year, collections for which are subsequently paid over to the charities concerned (see also note 2). The total amount collected including Gift Aid was £258 which was paid to the following:-

	£
London City Mission	258

5. CHURCH RUNNING COSTS

Church running costs comprise the following:--

	Year to 31 December 2020	Year to 31 December 2019
	£	£
Refreshments and consumables	21	753
Insurance	1,129	1,019
Website, printing and promotion	1,030	872
Contribution to the LDF Common Fund	2,000	750
Other costs	690	1,577
	4,870	4,971

6. TANGIBLE FIXED ASSET

The CIO has a freehold interest in the property occupied by the Minister at 2 Firs Lane, London N21. The amount of £568,082 shown in the balance sheet is stated at historical cost, including financing charges.

7. DEBTORS AND PREPAYMENTS

Debtors and prepayments comprise the following:-

	At 31 December 2020	At 31 December 2019
	£	£
Tax recoverable	1,249	20,372
Prepayments & deposits	1,103	1,091
	2,352	21,463

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Short-term creditors are represented by:-

	At 31 December 2020	At 31 December 2019
	£	£
Capital repayments on mortgage (see note 9)	9,978	7,950
Accrued expenses	7,374	2,800
	17,352	10,750

9. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

The property at 2 Firs Lane (see note 6) was originally acquired with the aid of a capital and interest repayment mortgage due to be repaid in full in February 2043 and bears interest at a variable rate of 3% above base rate. At 31 December 2020 the interest rate on the outstanding amount of £312,050 (2019 - £320,000) was 3.1% (2019 - 3.75%). Of this amount, £302,072 (2019 - £312,050) is payable after more than one year.

10. FUNDS

Unrestricted Funds	At 31 December 2020	At 31 December 2019
	£	£
At 1 January	519,677	488,139
Incoming resources	92,851	114,847
Resources expended	(80,692)	(83,309)
At 31 December	531,836	519,677

11. RELATED PARTY TRANSACTIONS

The Minister of Grace Church Highlands, Revd Jonathan Bell, is an ex-officio Trustee and member of the Church Council. He is employed by the Diocese of London and received a stipend during the year of £39,900 (part year 2019 - £28,348). He was also reimbursed amounts for expenses totalling £772 in the period (2019 - £1,344 and removal costs of £2,443).

Other employment costs reflected under Ministry Costs (see note 3) relate to National Insurance and to pension and other contributions made through the Diocese of London for the Minister. They also include, in 2019, grants totalling £4,856 for resettlement of the then incoming Minister, the Reverend Jonathan Bell.

The newly appointed Minister for Women and Outreach, Hilary Nicholls, who was appointed as a Trustee on 12 October 2020, received a salary for the final two months of the year of £2,553.

No payments were made to any other trustee, persons closely connected to them or related parties other than in respect of reimbursement at cost of small amounts of expenditure incurred in administering the church or running church and outreach events. No benefit has been derived by these persons from the payments made.

12. COMMITMENTS

Grace Church Highlands has not made any commitments beyond annual contracts with a number of regular suppliers. The hire of the venue for church services is contracted on a termly basis but due to the Coronavirus pandemic services were not possible at the venue and therefore no commitments existed at the year-end.