

# Grace Church Gateshead

Report and Accounts

Year ended 31 December 2020

Stewardship   
*Active generosity*

1 Lamb's Passage, London EC1Y 8AB  
[www.stewardship.org.uk](http://www.stewardship.org.uk)

**GRACE CHURCH GATESHEAD**  
**YEAR ENDED 31 DECEMBER 2020**  
**LEGAL & ADMINISTRATIVE DETAILS**

|                             |   |
|-----------------------------|---|
| ADDRESS FOR CORRESPONDENCE  | 186 Rawling Road<br>Gateshead<br>Tyne & Wear<br>NE8 4QU               |
| GOVERNING DOCUMENT          | CIO - Foundation registered 1 November 2013<br>as amended 16 May 2019 |
| CHARITY REGISTRATION NUMBER | 1154440   |
| TRUSTEES                    | D Martin<br>D Hewer<br>J Merton                                       |
| BANKERS                     | Lloyds TSB<br>PO Box 1000<br>Andover<br>BX1 1LT                       |
| INDEPENDENT EXAMINER        | Mary Evans<br>Stewardship<br>1 Lamb's Passage<br>LONDON<br>EC1Y 8AB   |

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**GRACE CHURCH GATESHEAD**  
**REPORT OF THE TRUSTEES**  
**YEAR ENDED 31 DECEMBER 2020**

The Trustees have pleasure in submitting the Report and Accounts for the year.

**Objects of the charity**

The object of the CIO is, for the public benefit, to advance the Christian faith in Gateshead and in such other parts of the United Kingdom and the world as the charity trustees may from time to time decide.

**Government**

The policy and operating decisions of the charity rest with the Trustees who meet regularly to monitor the activities of the charity.

New trustees are appointed by the elders of the church/by the Trustees.

Grace Church Gateshead belongs to the following networks of churches: the North East Gospel Partnership locally; the Fellowship of Independent Evangelical Churches nationally; and the Acts 29 network globally.

In May 2019, the charity formally changed its name to Grace Church Gateshead. The CIO constitution remained unchanged.

**Review of Activities**

In 2020 Grace Church Gateshead has continued to promote the Christian faith in Gateshead. The Trustees have had regard to the Charity Commission's guidance on public benefit, and are pleased to give the following summary of activities.

In March 2020 the church took steps (in line with government advice) to help contain the outbreak of COVID-19. This included the temporary suspension of all physical gatherings and the church had to curtail, or change, how it operated for the duration of 2020. The church has been able to continue some of its activities using online media. The church building has remained open for public worship as far as possible, within the provisions for public worship in Government legislation. The trustees have had regard to Government legislation and guidance throughout the year with respect to risk assessments and implementation of measures to reduce the transmission of COVID-19.

The church has continued to hold weekly Christian worship services, open to all the public, either online and/or in person as provided for in legislation, with several measures in place to promote a COVID secure environment. These have enabled people in the local community to participate in shared Christian worship. The Bible teaching at these Sunday gatherings continues to demonstrate the importance and relevance of the historic Christian faith to numerous current issues, including mental health, marriage and family, and above all peace with God. In addition, the relationships and sense of community fostered through church life continue to provide a significant means of support for those connected to the church.

Grace Church Gateshead has continued to promote the Christian faith for the public benefit by holding weekly public Christian worship services, either online or in person as restrictions have allowed, open to all in the community. The church has been a key source of support for many local people through the 2020 pandemic.

No grants were paid during the year, however after year end, in February 2021, the trustees committed to grants totalling £2,950.

### **Financial Review**

The charity's principal source of funding comes from donations made by the church congregation.

Total income in the year was £48,308 (2019: £39,758) and expenditure was £41,112 (2019: £43,518) giving a net surplus this year of £7,196. The cash balance brought forward at the beginning of January was £14,642, leaving a closing cash balance of £21,838 all of which was unrestricted.

### **Reserves Policy**

We aim to hold at least three months' operating expenses in reserve, which currently equates to £12,000.

At present our reserves are £21,838.

The trustees are monitoring income and expenditure and, if it becomes necessary, will take measures to mitigate the impact of COVID-19 on the charity's free reserves.

### **Trustees responsibilities**

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

### **Approval**

This report was approved by the trustees on and signed on their behalf by:

D Martin

Date: 16 September 2021

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF**  
**GRACE CHURCH GATESHEAD**

I report to the trustees on my examination of the accounts of Grace Church Gateshead ('the charity') for the year ended 31 December 2020 on pages 5 to 7 following.

**Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Mary Evans

Stewardship  
1 Lamb's Passage  
LONDON  
EC1Y 8AB

Date: 23 September 2021

**GRACE CHURCH GATESHEAD**  
**RECEIPTS AND PAYMENTS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2020**

|   | Notes | General<br>Funds<br>£ | 2020<br>£     | 2019<br>£      |
|---|-------|-----------------------|---------------|----------------|
| <b><i>Income receipts</i></b>                                     |       |                       |               |                |
| Donations, legacies and grants                                    |       | 48,308                | 48,308        | 39,758         |
| <b><i>Total receipts</i></b>                                      |       | <u>48,308</u>         | <u>48,308</u> | <u>39,758</u>  |
| <b>Payments</b>   |       |                       |               |                |
| Payments in relation to charitable activities undertaken directly | 2     | 41,112                | 41,112        | 40,580         |
| Grants paid in relation to charitable                             | 3     | -                     | -             | 2,938          |
| <b><i>Total payments</i></b>                                      |       | <u>41,112</u>         | <u>41,112</u> | <u>43,518</u>  |
| Net of receipts / (payments) before transfers                     |       | 7,196                 | 7,196         | (3,760)        |
| Transfers between funds   |       | -                     | -             | -              |
| <b>Net movement in funds</b>                                      |       | <u>7,196</u>          | <u>7,196</u>  | <u>(3,760)</u> |
| Cash funds as at last year end                                    |       | 14,642                | 14,642        | 18,402         |
| <b>Cash funds at this year end</b>                                | A     | <u>21,838</u>         | <u>21,838</u> | <u>14,642</u>  |

The notes on pages 7 form part of these accounts.

**GRACE CHURCH GATESHEAD**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**YEAR ENDED 31 DECEMBER 2020**

|  | General<br>funds<br>£ | 2020<br>£     | 2019<br>£     |
|--|-----------------------|---------------|---------------|
| <b>A Cash funds</b>                      |                       |               |               |
| Cash at bank                             | 21,838                | 21,838        | 14,642        |
|  | <b>21,838</b>         | <b>21,838</b> | <b>14,642</b> |
| <b>B Liabilities</b>                     |                       |               |               |
| <b>Falling due within one year:</b>      |                       |               |               |
| Mortgage                                 | 3,418                 | 3,418         | 3,418         |
| Unbilled fee for Independent Examination | 720                   | 720           | 720           |
|  | <b>4,138</b>          | <b>4,138</b>  | <b>4,138</b>  |
| <b>Falling due after one year:</b>       |                       |               |               |
| Mortgage                                 | 28,739                | 28,739        | 30,826        |
|  | <b>28,739</b>         | <b>28,739</b> | <b>30,826</b> |

The mortgage above relates to Grove Chapel, Rawling Road and is repayable over 14 years at £3,418 per year.

**C Assets retained for charity's own use**

|                                   | Fund to<br>which asset<br>belongs | Current<br>value<br>£ |
|-----------------------------------|-----------------------------------|-----------------------|
| Land and buildings - Grove Chapel | General                           | 352,742               |
| Fixtures, furniture and equipment | General                           | 16,499                |
|                                   |                                   | <b>369,241</b>        |

The trustees have used insurance values as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

**D Guarantees and secured debts**

The outstanding balance on the charity's mortgage (see Note B) is secured on the charity's property (see Note C).

No guarantees have been made, which result in an outstanding potential liability as at the year-end date.

The accounts were approved by the trustees and signed on their behalf by:

D Martin

Date: 16 September 2021

The notes on pages 7 form part of these accounts.

**GRACE CHURCH GATESHEAD**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2020**

**1 Accounting policies**

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

|  | General<br>funds<br>£ | Total<br>2020<br>£ | Total<br>2019<br>£ |
|--|-----------------------|--------------------|--------------------|
| <b>2 Payments in relation to charitable activities undertaken directly</b>     |                       |                    |                    |
| Employment costs (Note 4)  | 31,723                | 31,723             | 31,723             |
| Mortgage repayments  | 3,418                 | 3,418              | 3,418              |
| Repairs & refurbishment  | 558                   | 558                | 667                |
| Utilities  | 1,172                 | 1,172              | 1,158              |
| Fixtures, furniture and equipment  | 1,014                 | 1,014              | 164                |
| Insurance  | 712                   | 712                | 682                |
| Affiliations   | 1,026                 | 1,026              | 1,026              |
| Professional fees  | 193                   | 193                | 358                |
| Other costs  | 576                   | 576                | 659                |
| Independent examination  | 720                   | 720                | 725                |
|  | <u>41,112</u>         | <u>41,112</u>      | <u>40,580</u>      |
| <b>3 Grants paid in relation to charitable activities undertaken by others</b> |                       |                    |                    |
| Grants for:  |                       |                    |                    |
| Church Planting  | -                     | -                  | 2,938              |
|  | <u>-</u>              | <u>-</u>           | <u>2,938</u>       |
| <b>4 Employees &amp; trustees</b>  |                       |                    |                    |

The charity has 1 employee, Dan Martin, a trustee, to whom the employment costs above refer. The payments were made to Dan in respect of his role as Pastor, not trustee, and are permitted by the governing documents.

Other than direct reimbursements of expenses made on behalf of the charity, no other amounts were paid or are payable to any trustee or to any person connected to them.