

GRACE CHURCH MILTON KEYNES

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31st MARCH 2024

Charity number: 1156871

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The Trustees present their annual report and the financial statements of the church for the period ended 31st March 2024

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered charity name:	Grace Church Milton Keynes
Charity registration number:	1156871
Principal office:	Church Office Office 5 11 Winchester Circle Kingston Milton Keynes MK10 0BA
Governing Documents	CIO Foundation Registered 01 May 2014
Trustees:	James Alastair Davies (Chair) Timothy John Gannon Leisl Hunter Donna Kapaya (resigned 31/3/24) Jonathan Mark Kempster David Leslie Wyatt
Independent Examiner:	Mervyn Thomas 128 Putnoe Lane Bedford, MK41 8LS
Principal Bankers:	CAF Bank Ltd.
Solicitors:	Roger Snowden

CHARITY STATUS

The Church is a charitable incorporated organisation (CIO) registered in 2014 becoming operational in 2019 with funds transferred from the previously registered trust.

AIMS AND PURPOSE

The CIO is established to:

- Advance the Christian Faith, the preaching and proclamation of the Christian gospel and the teaching of Christian doctrine and principles and the pastoral care of Christian people.
- Relieve people who are in conditions of need, financial hardship or who are aged or sick.
- Advance education, both general and vocational, but always on the basis of Christian principles. The Church's policy remains that of pursuing those objectives in an unrestricted manner.

As a church we are seeking to live our lives the way God intended. Simply put, our vision is to:

Love God, Love People and Love Life.

Grace Church operates primarily but not exclusively in Milton Keynes, Buckinghamshire and employs one full-time pastor and one part-time Administrator. The staff are supported by the Trustees (in their capacity as church leaders) and many volunteers who carry out pastoral work, communication of the gospel, work with children and young people, the elderly, those in need, finance, administration and other related activities. The Trustees meet on a quarterly basis.

REVIEW OF ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The number of people attending Sunday services has grown steadily throughout this year and we have been able to maintain a balanced offering of services and support to our members and to the wider community in Milton Keynes despite resourcing and capacity challenges.

The Trustees and the Eldership team are committed to enabling as many people as possible to worship at Grace Church and to benefit from all its ministries and activities provided by the church. When planning our activities for the year, the Trustees and Eldership team have taken on board the Commission's guidance on public benefit and, in particular, the guidance given on charities for the advancement of religion.

The church continues to be part of a family of churches, New Frontiers, and a specific 'sphere' known as 'Catalyst' to ensure best practice is followed in all areas of church life. We have maintained our links with 'Woodside Church' in Bedford for friendship, input and accountability.

There were no serious incidents to report in this reporting period. Some highlights from the year are given below.

August 2023

Our youth attended the national festival 'New Day' attended by over 7,000 teenagers.

November 2023

We held a baptismal service, celebrating declarations of faith and commitment to following Jesus.

November 2023 – March 2024

We continued our Warm Place provision from the previous year, hiring a local community hall in the Fishermead Estate in Milton Keynes to provide a weekly 'Warm Place'. This service was open to anyone in the community who would benefit from a simple warm meal in a heated venue and the chance to meet and get to know others. Numbers of people attending varied each week from 10 to 27 people.

January–March 2024

We offered another Alpha Course for anyone wanting to learn more about the basics of Christianity, held in a local café and people's homes.

March 2024

Donna Kapaya resigned as a trustee according to plan. The Trustees noted their gratitude to Donna for her exceptional input, advice and service as a Trustee.

March–May 2024

We ran a rigorous recruitment process to hire a new Assistant Pastor.

In addition, last year we continued to give financial support to local charities such as MK Money Lifeline and Unity MK.

FINANCIAL REVIEW

Income generation

The church's total income for the year was £172,757 (2023: £172,665), which was generated through the voluntary giving of church members). £4,900 was given to restricted funds to help people in need.

Expenditures

Total expenditures were £124,965 (2023: £140,780).

Funds

Overall funds are £222,240 (2023: £174,448). The Trustees have designated £110,000 from the general fund to the Designated Future Building Fund in line with our reserves policy which follows

Reserves policy

The church holds unrestricted and restricted funds. Transfers are made from unrestricted to restricted funds in order to prevent restricted funds from going into deficit. Our overall policy for unrestricted funds is only to increase reserves above a minimum threshold necessary to operate the organisation (not more than 3 months expenditure) or where specific projects are being planned for subsequent years.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain transactions and disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the financial statements conform to the charities SORP. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE TRUSTEES

James Davies as Chair of Trustees

Dated: 3/2/25

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF GRACE CHURCH

on the accounts for the year to 31st March 2024

as set out on pages 8–15 in this document

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 this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

Independent examiner's statement

It is my responsibility 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.

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, and 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.

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in, any material respect, the requirements:

- 1) 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.

Signed:



Mervyn Thomas
128 Putnoe Lane
Bedford MK41 8LS

Dated: 03/02/2025

For the accounting period 1st April 2023 to 31st March 2024

	Notes	Unrestricted Funds £	Restricted Fund £	Designated Funds £	Total Funds 2024 £	Total Funds 2023 £
Incoming Resources						
Voluntary income		163,592	4,900	-	168,492	167,315
Government Grants		3,930		-	3,930	5,000
Charitable activities		335	-	-	335	350
Total Incoming Resources	3	167,857	4,900	-	172,757	172,665
Resources Expended						
Raising funds		896	-	-	896	687
Charitable activities		119,115	4,954	-	124,069	140,093
Total Charitable Resources Expended	4	120,011	4,954	-	124,965	140,780
Net income/(expenditure)		47,846	(54)	-	47,792	31,885
Transfers between funds		(20,000)	-	20,000	-	-
Net movement in funds		27,846	(54)	20,000	47,792	31,885
Reconciliation of funds:						
Total funds brought forward		41,939	7,509	125,000	174,448	142,563
Total funds carried forward		69,785	7,455	145,000	222,240	174,448

GRACE CHURCH MILTON KEYNES
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31st MARCH 2024

At 31st March 2024

	Notes	Unrestricted Funds £	Restricted Fund £	Designated Funds £	Total Funds 2024 £	Total Funds 2023 £
Current assets						
Prepayments and Debtors	5	51,499	-	-	51,499	27,941
Cash at bank and in hand		22,303	7,455	145,000	174,758	149,343
Total current assets		73,802	7,455	145,000	226,257	177,284
Short Term Liabilities		(4,017)	-	-	(4,017)	(2,837)
Total assets less liabilities		69,785	7,455	145,000	222,240	174,447
Charity Funds	6					
Unrestricted funds		69,785			69,785	41,939
Restricted Funds			7,455		7,455	7,509
Designated Fund				145,000	145,000	125,000
Total funds		69,785	7,455	145,000	222,240	174,448

Signed on behalf of the trustees:

James Davies as Chair of Trustees on 3/2/25

NOTES TO THE FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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 and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Charity is a going concern. Income generation through members' donations is maintaining adequate reserves and restrictive funds are adequate.

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period (3.46 FRS 102 SORP).

2. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognized at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

2.2 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the church. Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal. Transfers are made from unrestricted to restricted funds as necessary to prevent restricted funds from going into deficit. Transfers are made from unrestricted to designated funds in accordance with the Churches strategy and reserves policy.

2.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the church becomes entitled to the income and it is more likely than not that it will receive the resources and the amount can be quantified with reasonable accuracy. Voluntary income is received by way of donations and gifts. Gift Aid is included in the SoFA when receivable.

Grants are included in the SoFA when the general income recognition criteria above are met and in the case of performance-related grants income is recognized to the extent that the specified goods or services have been provided. Donated services and facilities are included at the value to the church where this can be measured reliably. The value of services provided by volunteers has not been included in these accounts. Investment income is included when received.

2.4 Resources expended

Expenditure is recognized on an accrual basis as a liability is incurred. Expenditure includes any VAT that cannot be recovered, which is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the church (as a charitable company) and include the audit fees and costs linked to the church's legal constitution.

2.6 Pension costs

Employees of the church are entitled to join a defined contribution pension scheme. The church contribution is limited to the contributions disclosed in note 3.

2.7 Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

2.8 Fixed Assets

Expenditures for equipment whose cost is greater than £5,000 are capitalised and depreciated over the life of the asset. This is 25% for electronic equipment.

2.9 Creditors

Creditors (including accruals) are recognized when due at the balance sheet date.

(Continued)

3. ANALYSIS OF INCOME - for the current reporting period.

	Unrestrict ed Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	£	£	£	£
Voluntary Income				
Donations	131,708	4,925	136,633	126,981
Gift Aid	31,884	(25)	31,859	40,334
Total Voluntary Income	163,592	4,900	168,492	167,315
Activities for generating funds				
HMRC Employment Allowance	3,930		3,930	5,000
Total Activities for generating Funds	3,930	-	3,930	5,000
Charitable Activities				
Interest	335	-	335	350
Grand Total Incoming Resources	167,857	4,900	172,757	172,665

3.2 ANALYSIS OF INCOME - for the previous reporting period

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Voluntary Income				
Donations	118,507	8,474	126,981	112,100
Gift Aid	40,334	-	40,334	15,331
Total Voluntary Income	158,841	8,474	167,315	127,431
Activities for generating funds				
HMRC Employment Allowance	5,000	-	5,000	4,000
Total Activities for generating Funds	5,000	-	5,000	4,000
Charitable Activities				
Interest	350	-	350	27
Grand Total Incoming Resources	164,191	8,474	172,665	131,458

4 ANALYSIS OF EXPENDITURE

	Unrestricted	Restricted	Total Funds	Total Funds
Expenditure on raising funds	Funds	Funds	2024	2023
	£	£	£	£
Website and Publicity	896	-	896	687
Total expenditure on raising funds	896	-	896	687
Expenditure on Charitable Activities				
Employee Salaries	42,180		42,180	65,419
Employer's National Insurance	3,929		3,929	6,183
Pension Contributions	6,805		6,805	10,801
Visiting Speakers	574		574	321
Training and Discipleship	5,236		5,236	4,462
Total Staff Costs	58,724	-	58,724	87,186
Venue Hire	15,650		15,650	14,280
Cost of running meetings	3,629		3,629	4,141
Administration and Office	12,853		12,853	7,836
Total Establishment Costs	32,132	-	32,132	26,257
Children	525		525	473
Youth	6,781		6,781	3,029
Evangelism	1,453		1,453	369
Pastoral	107		107	33
Expenses and Support	2,277		2,277	729
Hardship Support	-	2,667	2,667	500
Remember the Poor	12	426	438	1,189
Total Ministry Costs	11,155	3,093	14,248	6,322
Debt Advice	9,999		9,999	9,999
International	-			4,509
To other charities	7,105	1,861	8,966	5,820
Total Donations Out	17,104	1,861	18,965	20,328
TOTAL EXPENDITURE	120,011	4,954	124,965	140,780

4.3 Staff

The number of paid employees is 2 (previous year 2)

4.4 Trustees Disclosures

Mr T Gannon, a Trustee, receives remuneration as Pastor of the Church including pension. His salary is set by a remuneration committee composed of unremunerated trustees. No other trustee or persons related to trustees are employed.

No trustee has received expenses in connection with trustee-related matters.

5 DEBTORS AND PREPAYMENTS

	2024	2023
	£	£
Prepayments	5,649	3,152
HMRC Debtors	45,850	24,789
Totals	51,499	27,941

6 CREDITORS AND ACCRUALS

	2024	2023
	£	£
Short term creditors and accruals	4,017	2,837

6. CHARITY FUNDS

Details of All Funds with movements during the reporting period 2023-2024

	Brought Forward	Income	Expenditure	Transfers	Carried Forward
Unrestricted General Fund	41,949	167,857	(120,011)	(20,000)	69,795
Restricted Funds					
Hardship Fund	4,816	1,557	(2,667)		3,706
Homeless	800			-	800
Remember the poor	828				828
Warm Room	1,055	1,350	(426)		1,979
Other Charities	-	392	(260)	-	132
Christmas Offering	-	1,476	(1,476)	-	-

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Overseas	-	125	(125)	-	-
Total Restricted Funds	7,499	4,900	(4,954)	-	7,445
Designated Building Fund	125,000			20,000	145,000
Total Funds	174,448	172,757	(124,965)	-	222,240

6.1 Movements in Funds

Reason	Amount £	From Fund	To Fund
Trustee Designation	20,000	General	Building Fund