

GRACE CHURCH LOUGHBOROUGH

**(A CHARITABLE INCORPORATED
ORGANISATION)**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

COMPANY NUMBER: CE009495

REGISTERED CHARITY NUMBER: 1170926

**Cound & Co LLP
Chartered Accountants
1 Princes Court
Royal Way
Loughborough
Leics LE11 5XR**

Tel: 01509 214163

GRACE CHURCH LOUGHBOROUGH
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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GRACE CHURCH LOUGHBOROUGH
ANNUAL REPORT OF THE CHURCH OFFICERS

The officers present their report along with the financial statements of the charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and comply with the Church's trust deed and applicable law.

REFERENCE AND ADMINISTRATIVE DETAILS:

Charity Number: 1170926

Company Number: CE009495

Trustees:

P Harrison
S B Cooper
A Green
Mrs A Cox
M Cox
Mrs S Harrison
T Sewell

Church Elders:

P Harrison
S B Cooper

Church Deacons:

A Green
Mrs A Cox
M Cox
Mrs S Harrison

Independent Examiners:

Cound & Co LLP
Chartered Accountants
1 Princes Court
Royal Way
Loughborough
Leics, LE11 5XR

Bankers

HSBC UK

GRACE CHURCH LOUGHBOROUGH

ANNUAL REPORT OF THE CHURCH OFFICERS

Objectives and Activities

Grace Church Loughborough was established in 2009 and became a Charitable Incorporated Organisation (CIO) on 29 December 2016. The church is led by two Elders, supported by six deacons; collectively referred to as “the officers”. The officers are the trustees of the CIO. All financial decisions are taken either by a decision of the Church membership or by the officers under a delegated responsibility to manage the accounts on a day to day basis on behalf of the members.

The officers meet formally approximately eight times a year and the church membership meet at least four times per year. Reports from the treasurer are provided to the officers at all meetings and the church receives financial and other reports each time it meets, except for occasional brief meetings in addition to the regular meetings. These can be for a range of reasons but would often be a brief meeting to consider a membership application.

The charitable purposes of the church as laid out in the church constitution are:

- The advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Loughborough and the surrounding neighbourhood; and
- Such other charitable purposes as shall, in the opinion of the members of the Church in general meeting further the work of the Church.

Performance and achievements

During this year 20/21 Grace Church has followed all the government guidance and the restrictions imposed during the COVID pandemic.

Lockdown has meant that there has been minimal expenditure. During this year the main focus for the church has been on supporting church members through meeting online, providing social spaces online to enable church to still meet together and to support those who have been isolated. The pandemic has had an impact on the mental health of members and the church has provided opportunities within the guidance & restrictions to enable those living on their own to form bubbles and to provide specific activities to help combat loneliness and isolation. The church helped to facilitate support networks.

Financial review and reserves policy

Due to the church not being able to meet in person, money saved on rent was diverted to support our local foodbank at New Life Community Church in Loughborough during both lockdowns. The trustees made the decision to redirect some of that to an organisation who were delivering a front-line service supporting local families in the community.

The church income is in the main given by members. The church operates a “Gift Aid” scheme, managed on their behalf by a third-party Stewardship.

The main expenditures of the church are usually:

- Room rental to the college who rent out their facilities for church meetings
- Stipend for one office holder (due to end in 2021)

Annually, the church allocates 10% of its income to other organisations whose aims also align with the charitable aims of the church. This includes the financial support for missionaries and or mission organisations.

The church has continued to raise awareness of other charities that we support such as Home for Good, Open Doors and Transforming Lives for Good, these are a few of the Christian charities that are of particular interest for Grace.

GRACE CHURCH LOUGHBOROUGH
ANNUAL REPORT OF THE CHURCH OFFICERS

Financial review and reserves policy (continued)

The trustees are able to decide on behalf of the membership to support members who may need financial support, they have the discretion as to whether this is a gift or a loan. The trustees regularly appraise the membership on the finance of the church through each members meeting and the annual general meeting.

As previously mentioned, expenditure has been minimal this year it is expected that there will be a phasing out of the stipend during the next financial year. The church has plans to support a couple who will be going to work abroad as missionaries as well as supporting a graduate on a year's placement at Edinburgh University working with the Christian Union and UCCF.

At present, reserves have been reduced this year, as people have moved away with their jobs and expenses have exceeded income. The officers are closely monitoring the finances and the membership is fully aware of the situation. A plan is in place that will address this in the next two years. The church has sufficient resources to sustain this more gradual approach, and a contingency plan, that could be enacted urgently if circumstances change, is also in place.

Safeguarding

Most of the children who attend Grace are children who have been in care or who have been adopted. A further, but in some ways related passion of the church is the acceptance of and informal support for those families who have children with specific needs as well as vulnerable adults who have additional needs or disabilities.

Safeguarding is prioritised by the church; The Trustees have appointed a designated safeguarding lead and there is a safeguarding policy in place. The Trustees have overall strategic oversight for safeguarding in the organisation and they provide accountability for the Designated Safeguarding Lead. The DSL reports to the trustees quarterly on any concerns that have been raised and what actions or responses have been taken in line with best practice and current legislation.

The safeguarding policy is due for review in 2022 and refresh training will take place during that year.

All volunteers who are in regulated activity are DBS checked.

Church benefits from having members with significant experience of safeguarding in their professional lives.

A section of the policy was reviewed to take account of keeping members safe online during COVID.

The church has been operating on zoom and has been following government guidelines and working within the restrictions for social gatherings and will be for the foreseeable future.

.....
P Harrison
Elder

27 January 2022

**INDEPENDENT EXAMINERS' REPORT TO THE OFFICERS OF
GRACE CHURCH LOUGHBOROUGH**

Independent Examiner's Report to the Officers of Grace Church Loughborough

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 5 to 8.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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 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 respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records

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

D R Gradon MA FCA

Cound & Co LLP
Chartered Accountants
1 Princes Court
Royal Way
Loughborough
Leics, LE11 5XR

27 January 2022

GRACE CHURCH LOUGHBOROUGH
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 MARCH 2021

	<u>Notes</u>	2021 Unrestricted <u>Funds</u>	2021 Restricted <u>Funds</u>	2021 <u>Total</u>	2020 <u>Total</u>
Receipts:					
Donations and legacies		23934	-	23934	23270
Gift Aid refunds (via Stewardship)		3526	-	3526	3767
Investment income		5	-	5	23
		<hr/>	<hr/>	<hr/>	<hr/>
		27465	-	27465	27060
		<hr/>	<hr/>	<hr/>	<hr/>
Payments:					
Charitable activities:					
Pastoral ministry	2	18372	-	18372	18664
Evangelism and outreach	3	169	-	169	217
Establishment costs	4	6669	-	6669	13129
Assets purchased		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total Payments		25210	-	25210	32010
		<hr/>	<hr/>	<hr/>	<hr/>
Net receipts		2255	-	2255	(4950)
Transfers		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Surplus/(deficit) for the year		2255	-	2255	(4950)
		<hr/>	<hr/>	<hr/>	<hr/>
Bank balances at 1 April 2020		11646	-	11646	16596
Surplus for the year		2255		2255	(4950)
		<hr/>	<hr/>	<hr/>	<hr/>
Bank balances at 31 March 2021		13901	-	13901	11646
		<hr/>	<hr/>	<hr/>	<hr/>

GRACE CHURCH LOUGHBOROUGH

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2021

	<u>Note</u>	2021 Unrestricted <u>Funds</u>	2021 Restricted <u>Funds</u>	2021 Total <u>Funds</u>	2020 Total <u>Funds</u>
<u>FIXED ASSETS</u>					
Fixtures and fittings	5	1104	-	1104	1473
		<hr/>	<hr/>	<hr/>	<hr/>
		1104	-	£1104	£1473
		<hr/>	<hr/>	<hr/>	<hr/>
<u>CURRENT ASSETS</u>					
Debtors		1351	-	1351	1351
Bank balances		13901	-	13901	11646
		<hr/>	<hr/>	<hr/>	<hr/>
		15252	-	£15252	£12997
		<hr/>	<hr/>	<hr/>	<hr/>
<u>CURRENT LIABILITIES</u>					
Creditors and Accruals		1347	-	1347	£590
		<hr/>	<hr/>	<hr/>	<hr/>
<u>NET CURRENT ASSETS</u>		13905	-	£13905	£590
		<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL NET ASSETS</u>		15009	-	£15009	£13880
		<hr/>	<hr/>	<hr/>	<hr/>
<u>FUND BALANCES</u>					
Unrestricted Fund	6	15009	-	£15009	£13880
		<hr/>	<hr/>	<hr/>	<hr/>
		15009	-	£15009	£13880
		<hr/>	<hr/>	<hr/>	<hr/>

The Financial Statements on pages 5 to 8 were approved by the trustees on 27 January 2022 and signed on their behalf by:

.....
Mrs S Harrison
Treasurer

GRACE CHURCH LOUGHBOROUGH

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

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied within the same accounts unless otherwise stated.

a) Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Charities SORP (FRS 102): 'Accounting and Reporting by Charities, Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS102") (effective 1 January 2015)' FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (effective September 2015) and the Charities Act 2011. The disclosure requirements of Section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

The charity constitutes a public benefit entity under FRS102.

b) Funds

Unrestricted funds represent the funds of the Church that are not subject to any restrictions regarding their use and are available for application on the general purposes of the Church.

Restricted funds are those funds that must be spent on the restricted purposes as specified by the donor.

2 PASTORAL MINISTRY AND MISSIONARY SUPPORT

	2021 Unrestricted <u>Funds</u>	2021 Restricted <u>Funds</u>	2021 Total <u>Funds</u>	2020 Total <u>Funds</u>
Pastoral remuneration	18349	-	18349	18664
Training costs	23	-	23	-
	<u>18372</u>	<u>-</u>	<u>18372</u>	<u>18664</u>

The Church employs one of the Elders. All of the Elders and Deacons are Trustees, as they are all included in making decisions on how the charity's funds are expended. To avoid a conflict of interest, the employed Elder continues to be excluded from all discussions relating to him and his remuneration. This Elder is the only trustee to receive any remuneration or expenses.

3 EVANGELISM AND OUTREACH

	2021 Unrestricted <u>Funds</u>	2021 Restricted <u>Funds</u>	2021 Total <u>Funds</u>	2020 Total <u>Funds</u>
Sunday school	-	-	-	-
Teaching materials	169	-	169	217
	<u>169</u>	<u>-</u>	<u>169</u>	<u>217</u>

GRACE CHURCH LOUGHBOROUGH

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

4 ESTABLISHMENT COSTS

	2021 Unrestricted <u>Funds</u>	2021 Restricted <u>Funds</u>	2021 Total <u>Funds</u>	2020 Total <u>Funds</u>
Hire of premises	600	-	600	6862
Insurance	299	-	299	343
Donations and gifts	1385	-	1385	251
Repairs and maintenance	-	-	-	436
Advertising	220	-	220	717
Telephone	57	-	57	57
Postage, stationery and photocopying	-	-	-	-
FIEC affiliation fees	900	-	900	900
Catering	-	-	-	162
Conference costs	-	-	-	-
Church tithe	2700	-	2700	2660
CCLI licence fee	234	-	234	176
Subscriptions	274	-	274	172
Professional Fees	-	-	-	360
Employee loan	-	-	-	33
	<hr/>	<hr/>	<hr/>	<hr/>
	6669	-	£6669	£13129
	<hr/>	<hr/>	<hr/>	<hr/>

5 FIXED ASSETS

<u>Cost</u>	Fixtures and <u>Fittings</u>	<u>Total</u>
B/f 1 April 2020	3491	£3491
Additions	-	-
	<hr/>	<hr/>
At 31 March 2021	3491	£3491
	<hr/>	<hr/>
<u>Depreciation</u>		
B/f 1 April 2020	£2018	£2018
Charge for the year	369	369
	<hr/>	<hr/>
At 31 March 2021	£2387	£2387
	<hr/>	<hr/>
Net Book Value at 31 March 2021	£1104	£1104
	<hr/>	<hr/>
Net Book Value at 31 March 2020	£1473	£1473
	<hr/>	<hr/>

GRACE CHURCH LOUGHBOROUGH

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

6 ANALYSIS OF NET ASSETS BY FUND

	2021 Unrestricted <u>Funds</u>	2021 Restricted <u>Funds</u>	2021 Total <u>Funds</u>	2020 Total <u>Funds</u>
Fixed Assets	1104	-	1104	1473
Current Assets	15252	-	15252	12997
Current Liabilities	(1347)	-	(1347)	(590)
	<hr/>	<hr/>	<hr/>	<hr/>
	15009	-	15009	13880
	<hr/>	<hr/>	<hr/>	<hr/>

Our ref: DRG/GRA 010

PRIVATE & CONFIDENTIAL

Mrs S Harrison
Grace Church Loughborough
39 Gracedieu Road
Loughborough
Leics
LE11 4QF

27 January 2022

Dear Sue

GRACE CHURCH LOUGHBOROUGH

I enclose two copies of the accounts for the year ended 31 March 2021: -

- a) one bound copy for you to keep,
- b) our unbound "file" copy to be signed and returned to us.

Please let me know if you require any further information. In the meantime, I enclose a note of our fees for your kind attention in due course.

Yours sincerely

D R Gradon MA FCA
for Cound & Co LLP