



*Making encountering and demonstrating  
the love of God the adventure of a lifetime*

Charity Number: 1171041

## **Trustees' Report and Financial Statements**

For the period ending 31<sup>st</sup> December 2020

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# 1. Trustees Report

The Trustees present their annual report and financial statements for the period ending 31<sup>st</sup> December 2020.

## 1.1 REFERENCE AND ADMINISTRATION DETAILS

**Trustees:**

Pastor David Weston  
Mr Mark Kinning  
Mr Richard Peters  
Mr Johnson Chayananickal

**Registered Charity Number:** 1171041

**Registered Office:**

Living Grace Church  
27 School Road  
Irchester  
NN29 7AW

**Bankers:**

Barclays Bank  
267 Wellingborough Road  
Northampton  
NN1 4EN

**Independent Examiner:**

Shanoj Injipparambili Unnikrishnan  
39 Dulverton Road  
Northampton  
NN3 3AZ

**Website:** [www.livinggrace.org.uk](http://www.livinggrace.org.uk)

## 1.2 STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing Document

Living Grace Church is a Company limited by guarantee with charitable status. Charity Number 1171041.

### Organisational Structure

The day to day running of the church is delegated to the pastoral and administrative staff led by Pastor Dave Weston, who is a trustee.

### Appointment of Trustees

A new trustee may be appointed by a resolution of the Trustees passed at a meeting of Trustees at which there is a majority of the Trustees present and such resolution shall be recorded in the minutes and signed by the new Trustee and by the chairman of the meeting and such records shall be conclusive evidence of his / her appointment.

### Leadership Structure

Living Grace Church has four areas of leadership which overlap under the overall direction of the Lead Pastor. Each area has responsibility to ensure the church pursues its objectives and vision, and to care for the church members. The leadership structure and responsibilities are as follows:

#### Overall Leadership

This is the Lead Pastor's role, and he directs focus and activities so the church pursues its vision and support is given to the key areas of ministry.

#### Trustees

The full responsibilities of the trustees are set out, in respect to accounting and financial information, in the Living Grace Church Trust Deed. They also advise the Leadership Team on staffing, salaries and employment issue, and manage the legal responsibilities of the charity and ensure full compliance with legislation.

#### Planning and Implementation Team

This team helps the Leadership Team in planning events and activities and assists in the implementation of events, programs and policies.

#### Ministry Leaders

These church members lead and manage specific areas of the churches activities:

- Children's Ministry

- Youth Ministry
- Worship
- Mission
- Welcome

### **1.3 The Charitable Objectives of Living Grace Church Northampton**

- A. To advance the Christian faith in Northamptonshire and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit.
- B. To promote the Christian faith mainly, but not exclusively, by means of teaching, preaching, broadcasting, producing and distributing Christian messages and literature of an evangelistic nature in Northamptonshire and in other parts of the United Kingdom or the world for the benefit of the public through the holding of prayer meetings, lectures and public celebrations of religious festivals.
- C. The relief of hardship or need such as poverty (which shall encompass financial, material, social and spiritual poverty), sickness, disability or impairment and bereavement by means of advice, assistance, pastoral support, care and where appropriate the provision of resources.

The objective of the charity, as stated in the trusts governing document, is the advancement of the Christian faith, the relief of poverty and sickness and of the aged, and the advancement of education on the basis of Christian principles without prejudice. In so doing, we aim to be a positive resource for the local area of the church, being a centre of activity and support to the local community, bringing people together.

These objectives are driven by the leadership of the church and practised by the congregation. It is not only put into practise through Sunday worship and preaching, but in its day-to-day support to the local community and countries overseas. This includes providing education, poverty relief and emergency aid for all ages, races & creeds. The charity aims to provide support and advice to individuals and groups in need, covering such areas as family relationships, parenting, children and youth education, support for the sick and much more. We seek to meet its need wherever we can do so appropriately.

The trustees believe that Living Grace Church complies with the Charities Commission's guidance on public benefit and in particular, the specific guidance on charities for the advancement of religion.

## 1.4 Our Vision

### ***“Making Encountering and Demonstrating the Love of God the Adventure of a Lifetime”***

We aim to teach and equip every member of Living Grace Church, so they live the life demonstrated to us by Jesus Christ to everyone, everywhere they go, joining Him in His goal to see everything renewed back to His perfect model. This takes the work of the church from inside the church walls and into the everyday world, spreading the transforming love of God into society and changing our town.

### **Culture**

A vision needs a culture to thrive in, so the things we grow the things we want to grow, and they are healthy. We aim to create a culture which resembles heaven as closely as possible and replicates the culture Jesus created everywhere he went. He carried hope, renewal, and transformation into every situation. We aim to build this same culture. We call it 'Revival'.

### **Core Values**

We seek to keep focused on our vision through core values which direct everything we do. So, in everything we pursue ***Love, Purity and Power***. These values permeate our mindsets, activities and ministries

All our activities are channelled through this vision, lived out in this culture, and guided by these core values. And our activities support these two areas of focus:

### **1. Encountering the Love of God**

Our goal as followers of Jesus is to become His disciples. This means being with Jesus and becoming like Jesus. These lead to encounters which shape us, and we aim to bring to everyone in Living Grace Church and beyond into such an encounter with the love of God. We do this through worship, prayer, preaching, teaching and training. We also connect with other churches, missions and organisations across the town, country and world who are experiencing and providing fresh encounters with the love of God. Our Small groups bring people together to share life and experiences and so foster encounters with the love of God, and we look to train and develop leaders through one-on-one and group mentoring.

### **2. Demonstrating the Love of God**

The natural outcome of encountering God (being with and becoming like Jesus) is that we begin to do what Jesus did – demonstrating the powerful love of God everywhere we go. We want people who have encountered the love of God to then demonstrate it to others. This is through acts of love, service and sacrifice to all, regardless of background, circumstances or faith. We do this through organised activities in the community such as Parent & Toddler Groups, Social Action, Youth Groups, etc. But we also encourage

individual members to be active through demonstrations of love, big and small, to the people in their world. We also support mission and advocate groups who seek to bring transformation, justice and support for the disadvantaged across the world. We do this through prayer, participation and finances.

## **1.5 ACHIEVEMENTS AND PERFORMANCE IN 2020**

In planning the charity's activities the Trustees have given consideration to the guidance provided by the Charity Commission on 'public benefit' issued in December 1998.

### **Coronavirus**

The Pandemic which began in March 2020 impacted LGC as it did every sphere of life. Much of the year was spent coming to terms with not meeting in person, finding new ways to do church, and living with the curtailment of our activities before seeking to find new ways of expressing our mission. Moving everything online proved a great challenge for everyone – those running the churches and its activities, and those attending. Not everyone could get on with video activities, and our numbers were hit accordingly. Not having a building of our own was an added hindrance as some churches were able to regather at the end of the first lockdown.

On the whole I believe we managed things the best we could given our limited resources. But it was a challenge, and the fall out is yet to be seen.

### **Sunday Services**

We met at the beginning of 2020 in Weston Favell Primary School every Sunday at 10:30am to participate in worship, teaching and friendship. The services last for 2 hours and aim to equip and encourage people in their Christian faith and walk and inspire them in our vision. We supply refreshments and the service is open to all, regardless of faith experience or background. This benefitted the public by giving a space for people to worship, pray, encounter love and support from God and each other. Relationships were built, and people were encouraged in their faith

When the first lockdown came into effect, we reverted to creating video's which included recorded worship, testimonies and preaching. These videos benefitted the church members by keeping them connected to their faith and encouraging them to trust God and one another. These videos were also streamed on YouTube so were available to encourage and support the wider public.

From September onwards we changed to running our services online via Zoom, using recorded worship, testimonies, and live/recorded preaching from members of LGC and other churches. This gave the benefit of allowing the church to meet via video, to see one another, and to share life, however limited. It was a strained time, but the people came together and were encouraged.

### **Small Groups**

Our small groups were similarly impacted by the pandemic. We were running gender-based groups, children and youth, prayer groups. But these stopped as the pandemic hit. It took us a while to re-establish these groups as some leaders were unable to adapt to new mediums. Over time we restarted our children and youth groups online and this proved a valuable resource for them, bringing them out of the isolation of home and into contact with others. We were able to encourage them in their faith and also in dealing with the challenges of pandemic life.

We also in time started up our prayer group online and this proved invaluable as it brought strength to people in need and enabled us to pray for the country.



Our gender-based groups also restarted online. These proved challenging as the goal of these groups was to engender vulnerability and trust, sharing real life issues. This is difficult on video, but they worked the best they could and kept people together during lockdowns.

## **Community**

Our community work was halted for 2020, especially as we were relying on hiring other buildings which remained shut. Our Toddler group and group for Adults with Learning difficulties were stopped in March and did not restart again for the whole year

## **Supporting the vulnerable**

As the lockdown began to bite, we recognised the need to support those who's mental, physical, and spiritual health may be impacted, especially those who lived alone, including the elderly. We therefore established a team of people from the church who were in constant contact with vulnerable people, or people who tested positive for Covid. This included phone calls offering support and prayer and running errands such as collecting shopping or medicines. This worked well and kept people within the loop of the LGC family, supported their mental health by reducing their isolation, and looked after their physical needs.

Towards the last quarter of 2020 we recognised the need to continue this support, especially for those living alone, to support their mental and spiritual health. A member of our congregation began to show a desire to do this, and she began volunteering for the church, making regular phone contact with those on their own, and walking outdoors with those who were able to do so. So vital did we see this role, that we began making plans to make this a paid role in 2021.

## **Schools work**

Our school's work was also impacted by the Pandemic, with all school visits stopped as they closed. Our school's worker very quickly adapted and began to create monthly videos offering encouragement, lessons and spiritual support to pupils and teachers. These were sent to the schools, who distributed them to pupils to watch in their homes. Via this route, thousands of children each month were encouraged and supported through the pandemic.

## **Mission**

Our support for mission was continued through the pandemic as we gave 10% of our income to various charities doing mission work in the UK and overseas. Each month during our online service, a member of our church would report on where our money was going that month, and what difference it was making. This encouraged the congregation by showing that their giving was making a difference in the lives of people in need.

## **Employment**

During this year, Living Grace Church employed two members of staff. This includes Pastor David Weston

(also a Trustee) on a full time (37.5 hours per week) basis, fulfilling his role as Lead Pastor. Mrs Carla Merrey is employed on a part-time basis (18 hours per week) working as Operations Manager.

## SUMMARY

The Trustees consider that they have complied with section 4 of the Charities Act 2006 and that the church and its membership are meeting the charitable objectives that were determined when the church was formed. As it grows, and lockdowns ease, it is expected that the church's community will have further opportunities to increase its activity and influence.

## FINANCIAL REVIEW

### Financial Performance

Our funds primarily come from gifts and offerings by members of the church as part of their act of worship.

Income for the year was £113,772 (2019 £122,288)

Expenditure for the year was £93,926 (2019 £108,321)

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in Income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

### Independent Examiner

Independent Examiner Shanoj Injipparambili Unnikrishnan has agreed to offer himself as Independent Examiner of Living Grace Church.

### Approval of Accounts

The accounts were approved on behalf of the Trustees on:



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**David Weston**

*Pastor and Trustee*

**Date** 18<sup>th</sup> October 2021

## Living Grace Church

### Statement of Financial Activities for the period ended 31<sup>st</sup> December 2020

Income from:	Note 3	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2020	Total 2019
		£	£	£	£	£
Donations and Legacies		107,358	2,675	3,740	113,772	122,288
<b>Total Income</b>		<u>107,358</u>	<u>2,675</u>	<u>3,740</u>	<u>113,772</u>	<u>122,288</u>
Expenditure On:	Note 4	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2020	Total 2019
		£	£	£	£	£
Charitable Activities		90,840	975	2,111	93,926	108,321
<b>Total Income</b>		<u>90,840</u>	<u>975</u>	<u>2,111</u>	<u>93,926</u>	<u>108,321</u>
<b>Net Income/ (Expenditure)</b>		16,517	1,700	1,628	19,846	13,968
<b>Total funds Brought Forward</b>		60,857	471,988	56,104	588,949	574,982
<b>Balance Carried Forward at 31<sup>st</sup> December 2018</b>		<u>77,374</u>	<u>473,688</u>	<u>57,733</u>	<u>608,795</u>	<u>588,949</u>

**Living Grace Church****Balance sheet as at 31st December 2020**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2020 £	2019 £
<b>Fixed Assets</b>					
Tangible Assets	0	0	0	0	0
<b>Current Assets</b>					
Debtors	2,846	0	35	2,881	1,617
Investments	67,425	473,420	56,337	597,183	546,412
Cash at Bank	8,428	268	1,361	10,056	43,828
Total Current Assets	78,698	473,688	57,733	610,119	591,857
<b>Creditors: amounts falling due within one year</b>	1,324	0	0	1,324	2,908
<b>Net current assets/(liabilities)</b>	77,374	473,688	57,733	608,795	588,949
<b>Total assets less current liabilities</b>	77,374	473,688	57,733	608,795	588,949
<b>Creditors: amounts falling due after one year</b>	0	0	0	0	0
<b>Total net assets or liabilities</b>	77,374	473,688	57,733	608,795	588,949
<b>Funds of the Charity</b>					
Restricted Funds			57,733	57,733	56,104
Designated Funds		473,688		473,688	471,988
Unrestricted Funds	77,374			77,374	60,857
<b>Total Funds</b>	77,374	473,688	57,733	608,795	588,949

The financial statements were approved by the Trustees on

Signed on their behalf by  \_\_\_\_\_, Trustee

# NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER 2020

## 1 Basis of Preparation

### 1.1 Basis of Accounting

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 Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS102) and with the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102.

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

### 1.2 Going Concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

## 2. Accounting policies

### 2.1 Recognition of Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received. For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of the conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

### 2.2 Recognition of Expenditure

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

\* Expenditure on charitable activities includes all costs incurred in fulfilling the church's objectives, together with any costs in support of these. This category includes costs in support of these. This category includes costs normally considered support costs but because the building and staff are integral to fulfilling our objectives, they are included here.

### 2.3 Debtors and Creditors

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

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020 (CONT.)**

### **2.4 Provisions for Liabilities**

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020 (CONT.)****3. Analysis of Income**

Analysis	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £	2019
<b>Donations &amp; Legacies:</b>					
Donations and gifts	88,791	2,675	3,531	94,997	102,633
Gift Aid	18,545		209	18,753	19,621
Membership subscriptions which are in substance donations	22			22	33
<b>Total</b>	107,358	2,675	3,740	113,772	122,288

**4. Analysis of Expenditure**

Analysis	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £	2019
<b>Expenditure on charitable activities</b>					
Staff costs	65,377			65,377	67,096
Pastoral Costs	656			656	730
Operational Costs	3,760			3,760	13,970
Management & Administration	7,044	555	414	8,013	6,573
Ministry Costs	2,071	420	168	2,658	3,222
Outreach & Giving Costs	11,933			11,933	13,739
Indian School Project			1,530	1,530	2,991
<b>Total</b>	90,840	975	2,112	93,927	108,321

**5. Staff Costs**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gross salary	50,506	52,447
Payroll costs	11,959	12,041
Pension costs	2,912	2,608
<b>TOTAL</b>	<b>65,377</b>	<b>53,244</b>

No employees had employee benefits in excess of £60,000.

None of the trustees received any fees for their services as Trustees. D Weston is a Trustee and also engaged in Ministry for the church, for which he received remuneration, £43,863 during the period. D Weston was also reimbursed expenses incurred whilst performing his duties for the church totaling £554 during this period.

An analysis of the average numbers of full time equivalent permanent employees is as follows:

	<b>2020</b>	<b>2019</b>
Pastoral	1.25	1.25
Administrative	0.75	0.75
<b>Total</b>	<b>2</b>	<b>2</b>

**6. Net income/(expenditure) for the year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Independent examiner's fees	350	350
<b>TOTAL</b>	<b>350</b>	<b>350</b>

**7. Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	2,881	1,617
<b>TOTAL</b>	<b>2,881</b>	<b>1,617</b>



**8. Creditors**

	Amounts falling due within one year £	2019
Accruals and deferred income	1,324	2,908
<b>TOTAL</b>	<b>1,324</b>	<b>2,908</b>

**9. Cash at Bank and in hand**

	2020 £	2019 £
Cash at bank and in hand	10,056	48,828
<b>TOTAL</b>	<b>10,056</b>	<b>48,828</b>

**10. Analysis of Charitable Funds****Analysis of Movement in Unrestricted & Designated Funds**

	1st January 2020 £	Income £	Expenditure £	31st December 2020 £
General	60,857	107,358	90,840	77,375
Building	471,532	2,443	555	473,421
Community Projects	456	231	420	266
<b>Totals</b>	<b>532,845</b>	<b>110,032</b>	<b>91,815</b>	<b>551,062</b>

**Name of Fund****Description, Nature and Purpose of Fund**

General

The "Free Reserve" after allowing for all Designated Funds

Building

For the allocation towards a new church building

Community Projects

Income received and costs incurred due to community work

**Analysis of Movement in Restricted Funds**

	1st January 2020 £	Income £	Expenditure £	31st December 2020 £
Building Project	56,112	1,695	66	57,740
Mission Giving	50	0	0	50
Indian School Project	(208)	1,530	1,530	(208)
Ministry Projects	150	168	168	150
<b>Totals</b>	<b>56,103</b>	<b>3,392</b>	<b>1,764</b>	<b>57,732</b>

**Name of Fund****Description, Nature and Purpose of Fund**

General

The "Free Reserve" after allowing for all Designated Funds

Building

For the allocation towards a new church building

Community Projects

Income received and costs incurred due to community work

## 5. Independent Examiner's Report on the Trustees of Living Grace Church

I report on the accounts of Living Grace Church of the period ended 31<sup>st</sup> December 2018 which are set out on the previous pages

### Respective responsibilities of Trustee 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.

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

### 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 terms or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedure 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.

### Independent examiner's statement

In connection with my examination, no material matters have come to my attention:

1. Which give me 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 the accounting records and comply with the account 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.

Shanoj Injipparambil Unnikrishnan  
39 Dulverton Road  
Northampton NN3 3AZ

Date: 29<sup>th</sup> September 2021