

GRACE CHARITIES TRUST
Administered by
Grace Baptist Charities Limited

FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 31 DECEMBER 2020

Charity number: 1171468

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REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2020

The Trustees have pleasure in submitting their report and the audited financial statements for the Grace Charities Trust for the year ended 31st December 2020. They have been prepared in the format prescribed by the Statement of Recommended Practice (FRS 102), 'Accounting and Reporting by Charities' issued by the Charity Commissioners.

Objectives and Activities

The objects of the charity are to receive and administer donations and to reclaim income tax from HMRC in accordance with the HMRC Gift Aid scheme and to distribute these donations and reclaimed income tax among such charities and for such charitable purposes wholly or mainly concerned with the advancement of religion.

The Trustee's policy is to receive donations either directly from individuals or through local churches and remit both gifts and tax recovered to the donors' nominated charities subject to these being within the scope of the charity's objectives and at the discretion of the trustee. Consequently all funds of the charity are restricted.

Grant making policy

The charity makes grants to the Christian charities nominated by the donors.

Public benefit

The directors of the trustee confirm that they have had due regard to the guidance issued by the Charity Commission on public benefit. In particular, donations and income tax distributed are for charitable purposes wholly or mainly concerned with the advancement of religion. Some of the Christian organisations receiving funds through the charity are also involved in the relief of poverty, the advancement of health and the saving of lives.

Achievements and Performance

During 2020, 37 charities used the Gift Aid scheme administered by the Trust and £116,076 (£131,358 in 2019) was recovered in tax for distribution with the original donations. Gift Aid claims are generally made quarterly or upon receipt of the appropriate information from charities.

A total of £759,556 (£687,738 in 2019) was paid to beneficiaries out of donations received and tax recovered.

Financial Review

The Trust continued to process Gift Aid claims and distribute donations promptly. The balances held at the year-end include £1,486 of regular gifts for a church that chooses to receive a monthly donation from the Trust, £3,554 gifts received shortly before year end and not yet paid out and £10,268 of gifts received where the donors have not yet expressed their wishes.

The Trust Deed was revised and updated in 2019 to ensure it accurately reflects the current Gift Aid processes.

REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2020
(continued)

Structure, Governance and Management

The Trust was established by a Declaration of Trust dated 6th June 1978. The trustee is Grace Baptist Charities

The Trustees have delegated the responsibility for the administration of donations, including recovery of tax, to the Finance Officer of the Association of Grace Baptist Churches (South East).

Risk Management

The Trustees have assessed the principal risks to which the charity is exposed, in particular those related to the operations and finance of the charity and are satisfied that procedures are in place to mitigate our exposure to the major risks. A risk register is maintained and reviewed.

Reference and Administrative Details

The charity was administered by the trustees, Grace Baptist Charities Limited, throughout the year.

The company's registered office is 7 Arlington Way, London, EC1R 1XA. The company registration number is

The directors of the company at the date of this report were:

A A Ottley (Chairman til 31 December 2020); C J Clarkson (Treasurer); A Creedy (Chairman from January 2021); A Gardner (Finance Officer); A Hannan; J G Miller; D J Mortimer; Miss M O' Mara; Paul Spear (resigned July 2020); Andrew King (Association Secretary from September 2020); P M Woodley

The Company Secretary, who is employed by AGBC(SE), has delegated authority to authorise routine and planned maintenance for trust, Association and church properties within an annual budget. The budget is approved by the Board in November for the following year.

The principal advisers of the company are as follows:

Auditors:	Jacob Cavenagh & Skeet, 5 Robin Hood Lane, Sutton, Surrey SM1 2SW
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Principal Bankers	CAF Bank Limited, 25 Kingshill Avenue, Kingshill, West Malling, Kent ME19 4JQ
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REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2020
(continued)

Trustees Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities in the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees are required to:

- * select suitable accounting policies and then apply them consistently;
- * observe the methods and principles in the Charities SORP ;
- * make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures;
- * and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FOR AND ON BEHALF OF THE TRUSTEES

7 Arlington Way
London
EC1R 1XA



C. J Clarkson
Director of
Grace Baptist Charities Limited
5th July 2021

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF
GRACE CHARITIES TRUST

I report to the charity trustees on my examination of the accounts of the Grace Charities Trust ('the Trust') for the year ended 31 December 2020 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').

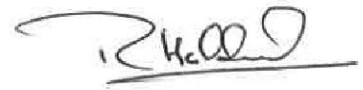
I report in respect of my examination of the Trust's accounts as carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no 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 Trust as required by section 130 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Report) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4 the accounts have not been prepared in accordance with the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS

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.



R I Haffenden CTA FCA
Jacob Cavenagh & Skeet,
5 Robin Hood Lane,
Sutton,
Surrey
SM1 2SW

30th JULY 2021

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

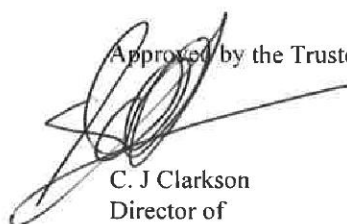
	<i>Note</i>	2020 Restricted Funds £	2019 Restricted Funds £
Income from:			
Donations			
Donations		648,971	566,526
Income tax recovered		116,076	131,358
		<u>765,047</u>	<u>697,884</u>
Investments		134	202
Total Income		<u>765,181</u>	<u>698,086</u>
Expenditure on:			
Charitable activities			
Paid to beneficiaries		759,556	687,738
Administration charges		5,761	7,191
Office and stationery		-	20
Bank charges		80	60
Independent examination/Auditors' fees		872	990
Total expenditure		<u>766,269</u>	<u>695,999</u>
Net (expenditure) / income and Net movement in Funds		(1,088)	2,087
Reconciliation of funds:			
Funds brought forward		16,396	14,309
Funds carried forward		<u>15,308</u>	<u>16,396</u>

All recognised gains and losses are reflected through the Statement of Financial Activities and all activities were continuing.

BALANCE SHEET
AT 31ST DECEMBER 2020

	<i>Note</i>	2020 £	2019 £
Current assets:			
Cash deposited with Grace Baptist Charities Ltd		16,148	17,356
Liabilities			
Creditors: Amounts falling due within one year		(840)	(960)
Total net assets		<u>15,308</u>	<u>16,396</u>
The funds of the charity:			
Restricted funds		<u>15,308</u>	<u>16,396</u>

Approved by the Trustee on 5th July 2021 and signed on their behalf by:



C. J. Clarkson
Director of
Grace Baptist Charities Limited

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

		<i>2020</i>	<i>2019</i>
		<i>Total Funds</i>	<i>Total Funds</i>
	Table	£	£
Statement of cash flows:			
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	<u>(1,342)</u>	<u>1,946</u>
Cash flows from investing activities:			
Interest		<u>134</u>	<u>201</u>
Net cash provided by (used in) investing activities		<u>134</u>	<u>201</u>
Change in cash and cash equivalents in the reporting period		(1,208)	2,147
Cash and cash equivalents at the beginning of the reporting period		<u>17,356</u>	<u>15,209</u>
Cash and cash equivalents at the end of the reporting period	B	<u>16,148</u>	<u>17,356</u>

Table A - Reconciliation of net income / (expenditure) to net cash flow from operating activities:

	<i>2020</i>	<i>2019</i>
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(1,088)	2,087
(Gains) / losses on investments	-	-
Dividends, interest and rent from investments	(134)	(201)
Increase in creditors	<u>(120)</u>	<u>60</u>
Net cash provided by (used in) operating activities	<u>(1,342)</u>	<u>1,946</u>

Table B - Analysis of cash and cash equivalents:

Cash in hand	16,148	17,356
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	<u>16,148</u>	<u>17,356</u>

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Accounting convention

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties. There are no material uncertainties about the charity's ability to continue in operation. The financial statements are prepared in pounds sterling rounded to the nearest pound.

Grace Charities Trust meets the definition of a public entity under FRS 102. It is an unincorporated charitable trust with registered address of 7 Arlington Way, London, EC1R 1XA.

(b) Going concern

There are no material uncertainties about the charity's ability to continue.

(c) Income

Voluntary income is accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.

(d) Expenditure

All expenditure is included on an accruals basis.

Charitable expenditure comprises all expenditure directly related to the objects of the charity. This includes governance costs which represent the cost of compliance with constitutional and statutory requirements and costs not able to be included as charitable expenditure.

(e) Cash deposited with Grace Baptist Charities Ltd

Cash deposited with Grace Baptist Charities Ltd is a short term highly liquid investment with a short maturity of three months or less from the date of opening of the deposit.

(f) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

2 RELATED PARTY TRANSACTIONS

Grace Baptist Charities Limited is the corporate trustee for the charity.

In the course of its performance as Trustee the company holds operating cash funds of the charity. During 2020 the interest rate paid to the charity on the cash balances held was 1.55% p.a. for 1st January to 30th June and 1.15% from 1st July to 31 December, credited quarterly. The balance of cash funds held at 31st December was

The trustee provided administration services to the charity, and made a charge of £5,761 (£7,191 in 2019) for the resources used.

3 TRUSTEES' REMUNERATION AND EXPENSES

No remuneration or reimbursement of expenses directly or indirectly out of the funds of the charity was paid or payable for the year to any Trustee or to any person or persons known to be connected with any of them.

4 INDEPENDENT EXAMINATION/AUDIT FEES

The fees paid for the independent examination of the accounts was £840 (2019: Audit of £990). An additional fee of £32.40 was paid as an insurance premium to cover professional costs incurred while dealing with reviews by HMRC of gift aid claims last year.

5 STAFF COSTS AND EMPLOYEE BENEFITS

The charity did not employ any staff during the year.

