

GRACE CHARITIES TRUST
Administered by
Grace Baptist Charities Limited

FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 31 DECEMBER 2021

Charity number: 1171468

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REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2021

The Trustees have pleasure in submitting their report and the audited financial statements for the Grace Charities Trust for the year ended 31st December 2021. 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 2021, 38 charities used the Gift Aid scheme administered by the Trust and £124,884 (£116,076 in 2020) 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 £655,362 (£759,556 in 2020) 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 £1,645 of regular gifts for a church that chooses to receive a monthly donation from the Trust, £2,743 gifts received shortly before year end and not yet paid out and £6,618 of gifts received where the donors have not yet expressed their wishes.

REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2021

(continued)

Structure, Governance and Management

The Trust was established by a Declaration of Trust dated 6th June 1978. The trustee is Grace Baptist Charities Limited. The Trust Deed was revised and updated in 2019 to ensure it accurately reflects the current Gift Aid processes.

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 62 Bride Street, London, N7 8AZ. The company registration number is 96055.

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

A A Ottley; C J Clarkson (Treasurer); A Creedy (Chairman); A Gardner (Finance Officer); J G Miller; D J Mortimer; Miss M O' Mara; A King ; 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:

Independent Examiners:	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 2021
(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

62 Bride Street
London
N7 8AZ



C. J Clarkson
Director of
Grace Baptist Charities Limited
4th July 2022

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 2021 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.

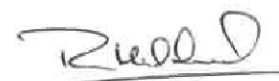
Since the Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

19 July 2022

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 Restricted Funds £	2020 Restricted Funds £
Income from:		
Donations		
Donations	533,474	648,971
Income tax recovered	124,884	116,076
	<u>658,358</u>	<u>765,047</u>
Investments	101	134
Total Income	<u>658,459</u>	<u>765,181</u>
Expenditure on:		
Charitable activities		
Paid to beneficiaries	655,362	759,556
Administration charges	6,449	5,761
Office and stationery	-	-
Bank charges	96	80
Independent examination/Auditors' fees	854	872
Total expenditure	<u>662,761</u>	<u>766,269</u>
Net (expenditure) and Net movement in Funds	(4,302)	(1,088)
Reconciliation of funds:		
Funds brought forward	15,308	16,396
Funds carried forward	<u>11,006</u>	<u>15,308</u>

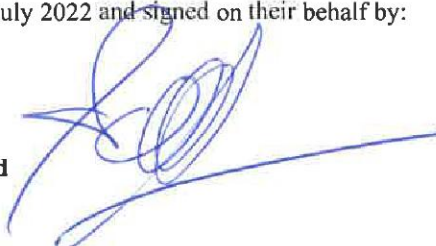
All recognised gains and losses are reflected through the Statement of Financial Activities and all activities were continuing.

BALANCE SHEET
AT 31ST DECEMBER 2021

	2021 £	2020 £
Current assets:		
Cash deposited with Grace Baptist Charities Ltd	11,846	16,148
Liabilities		
Creditors: Amounts falling due within one year	(840)	(840)
Total net assets	<u>11,006</u>	<u>15,308</u>
The funds of the charity:		
Restricted funds	<u>11,006</u>	<u>15,308</u>

Approved by the Trustee on 4th July 2022 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 2021

	<i>2021</i>	<i>2020</i>
	<i>Total Funds</i>	<i>Total Fund</i>
	<i>£</i>	<i>£</i>
Statement of cash flows:		
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	A (4,402)	(1,342)
Cash flows from investing activities:		
Interest	100	134
Net cash provided by (used in) investing activities	100	134
Change in cash and cash equivalents in the reporting period	(4,302)	(1,208)
Cash and cash equivalents at the beginning of the reporting period	16,148	17,356
Cash and cash equivalents at the end of the reporting period	B 11,846	16,148

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

	<i>2021</i>	<i>2020</i>
	<i>£</i>	<i>£</i>
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(4,302)	(1,088)
(Gains) / losses on investments	-	-
Dividends, interest and rent from investments	(100)	(134)
Increase in creditors	-	(120)
Net cash provided by (used in) operating activities	(4,402)	(1,342)

Table B - Analysis of cash and cash equivalents:

Cash in hand	11,846	16,148
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	11,846	16,148

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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 benefit entity under FRS 102. It is an unincorporated charitable trust with registered address of 62 Bride Street, London, N7 8AZ.

(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 2021
(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 2021 the interest rate paid to the charity on the cash balances held was 1.15% p.a. for 1st January to 31 December, credited quarterly. The balance of cash funds held at 31st December was £11,846.

The trustee provided administration services to the charity, and made a charge of £6,449 (£5,761 in 2020) 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 (2020:£840). An additional fee of £32 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.

