

# GROVE HILL EVANGELICAL CHURCH

Report and Accounts

Year ended... 31 March 2021

**GROVE HILL EVANGELICAL CHURCH**  
**LEGAL & ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

ADDRESS FOR CORRESPONDENCE	123 Grove Hill South Woodford LONDON E18 2HY
GOVERNING DOCUMENTS	Church constitution adopted 28 September 2006 as amended 6 July 2008. The church is affiliated to the Fellowship of Independent Evangelical Churches.
CHARITY REGISTRATION NUMBER	235525 - Grove Hill Evangelical Church
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	Michael Adesanya (from 1 August 2020 to 30 June 2021) Timothy Crispin (From 1 August 2021) Andrew Emohare Andrew Evans (until 29 April 2020) Philip Hayden (until 27 September 2020) Adam Herbert (from 27 September 2020) Lynda Holmes Martin Hull Peter Parson Peter Sharp
NAMES OF ADVISERS	CAF Bank Ltd National Westminster Bank Plc, South Woodford
INDEPENDENT EXAMINER	Jaimee Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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## GROVE HILL EVANGELICAL CHURCH

### REPORT OF THE TRUSTEES

#### FOR THE YEAR ENDED 31 MARCH 2021

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 March 2021.

#### **Objects of the charity**

The charity, which is a church, is governed by a constitution. The charity's principal objects, as set out in its governing document, are:

1. The advancement of the Christian faith in accordance with the basis of faith primarily but not exclusively within South Woodford and the surrounding neighbourhood, and
2. Such other charitable purposes as shall in the opinion of the members of the church in general meeting, further the work of the church.

#### **Government**

The policy and operating decisions of the charity rest with the Trustees who meet regularly to monitor the activities of the Trust.

New trustees are appointed following a ballot of Church members.

#### **Summary of the charity's main activities and achievements**

The church exists as a body of believers in the Lord Jesus Christ who are committed to each other in Christian fellowship. We seek to encourage each other in the faith as it is laid out in the Bible and to share the truth about Christ with those around us.

The Church has held services of worship every Sunday, including preaching and Bible studies. Since 'lockdown' activities took place virtually when physical gatherings were not permitted; Sunday services have been broadcast live via the Church's 'YouTube' channel, accessible to all via the Church website <https://www.ghec.co.uk/> and other activities via 'Zoom'. With the relaxation of Covid restrictions, physical meetings have restarted. Even with these restrictions, the Church has been pleased to welcome newcomers on a regular basis. The congregation reflects the multi-cultural make-up of the neighbourhood.

Throughout the year age related activities for children have continued to be provided. Regrettably, at the outset of the 'lockdown' restrictions, physical gatherings were paused but some were able to offer a virtual alternative. Trustees are pleased to report the gradual resumption of normal activities in line with government requirements. Children's activities span the whole age range: from the ever popular 'Ready Steady Go' sessions for babies, toddlers and their parents/ carers to 'Revolution' working with older teenagers. In between there are the Sunday youth groups, week night clubs and ad-hoc school holiday activities. All these activities are available to Church families and the wider community.

Following the retirement of the manager, the Pre-school closed in July 2020. The trustees would like to record their appreciation to staff, past and present, for the excellent service and witness they have provided to the local community over many years. Its equipment was donated to local nurseries and the closing balance is retained in the Restricted Fund, pending a trustee decision on how to use these funds.

Inevitably outreach events were curtailed during the year. But the ever-popular Easter Egg Hunt, which provides a friendly introduction to the Church family and an insight to the Christian faith, took place virtually. Plans are underway to resume Community activities including the Ready Steady Go toddler group. The short course 'Christianity Explored' is offered to those interested in finding out more about Christianity and was held via zoom during the year.

Key activities are publicised by leafletting local homes, word of mouth and via the website. The website provides a valuable insight into the work of the Church ([www.ghcc.co.uk](http://www.ghcc.co.uk)), where recent sermons can also be downloaded, and, since 'lockdown', Sunday services can be viewed via 'YouTube'. The church is pleased to support missionary work both in the UK and abroad and sets aside 25% of its regular income for this purpose. During 2020-21 the Church, together with several others in the area, continued to support the setting up of a Church Plant in the Barkingside and Clayhall area.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

The leadership team continue to seek to fulfil their responsibilities. The trustees remain very grateful to all involved in the fellowship for the different ways in which they assist the church in fulfilling its calling.

### **Effects of Covid19 on the charity**

As outlined above, the Church's activities were curtailed due to the pandemic. However, weekly meetings continued, albeit virtually for part of the year. Trustees set a cautious budget to ensure that it remained financially viable. It anticipated reduced general giving and income from property rentals and resolved to restrict spending to essentials. Many costs are fixed, e.g. staffing, so savings were limited (utility and outreach spending in the main). Premises expenditure from restricted funds planned to continue, although the pandemic delayed execution in some areas. Grants to other organisations, e.g. missionaries, are funded from the previous year's giving so were protected for 2020-21.

The outturn reports a fall in voluntary donations and associated gift aid to the General Fund of about £8k, but this is more favourable than the budget. Most regular donors maintained (or increased) their giving. The reduction was mainly attributable to no 'loose' collections being taken during services. Income from rental properties was also higher than budgeted, with full occupation of all properties.

Expenditure on fixed costs continued as planned. As anticipated, savings were made in some running costs and because some premises projects were delayed.

On balance, the charity's finances were not adversely affected by the pandemic – more detail is provided in the Financial Review below.

The pre-school was not able to operate for most of its last term (summer 2020). Trustees took the decision to continue to pay the staff and not make use of the government's furlough scheme, because local authority funding continued.

The Church launched a modest 'Covid' appeal to assist those in, or known to, the congregation who had been financially adversely affected. It was managed by a group of trustees. In reality the need was limited and a small restricted fund remains at the year end. Pledges were also received, which to date have not been needed.

## Financial review

The trustees prepare the accounts on a Receipts and Payments basis. It is deemed a more appropriate basis having regard to the charity's turnover. This means that the accounts are based on a reconciliation to the bank account and no adjustment has been made for income due or expenses owed; in particular the Gift Aid refund from HMRC is not recognised until the following year.

Overall reserves stand at £96,804. These comprise £73,925 Unrestricted (General £30,769 and Designated £43,156) and £22,880 Restricted funds. As discussed above, general congregational income fell by £8k but this was more than compensated by an increase in property rental income. The General Fund is showing an in-year surplus of £14,812 after transfers. The Designated Fund balance at year end has reduced mainly because the subsidence project was completed during the year. The Restricted Fund balance is also lower, the main reason being the Preschool closure.

The Pre-school historically held reserves, one reason being to meet any redundancy costs should it close. Redundancy costs, together with operational costs as a result of the pandemic meant that it made an operational loss of £6,812. Trustees hold the remaining balance of £7,965 pending a decision on its use.

## Reserves policy

The trustees consider that as a minimum the cash balances held in the general fund should be a sum equal to three months' recurrent expenditure, about £26k. This has been achieved this year.

## Risk statement

The charity is exposed to various risks - be they operational, financial or reputational. The trustees review the charity's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks. Much attention has been paid to the risks associated with Covid19; financial and operational action has been taken to mitigate these risks.

## Responsibilities of trustees

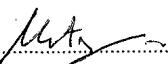
Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

## Approval

This report was approved by the trustees and signed on their behalf by:

  
.....  
Martin Hull  
Date: 15 Dec. 2021

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF**  
**GROVE HILL EVANGELICAL CHURCH**

I report to the trustees on my examination of the accounts of Grove Hill Evangelical Church ('the charity') for the year ended 31 March 2021 on pages 6 to 10 following.

**Responsibilities and basis of report**

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 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 2011 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 accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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



Jaimée Young

Stewardship  
1 Lamb's Passage  
LONDON  
EC1Y 8AB

Date: 21 December 2021

**GROVE HILL EVANGELICAL CHURCH**  
**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted Funds				
	Notes	General Funds £	Designated Funds £	Restricted Funds £	2021 £	2020 £
<b><i>Income receipts</i></b>						
		70,492	4,190	15,265	89,947	114,657
		16,134	638	1,719	18,491	18,227
		335	95	-	430	4,501
		-	69,775	-	69,775	54,744
		-	-	936	936	9,250
		36	-	-	36	949
		<u>86,998</u>	<u>74,697</u>	<u>17,920</u>	<u>179,615</u>	<u>202,328</u>
<b><i>Total receipts</i></b>						
 <b><i>Payments</i></b>						
	2	94,964	27,924	24,689	147,576	186,903
	3	7,400	24,403	9,789	41,592	36,050
		<u>102,364</u>	<u>52,327</u>	<u>34,478</u>	<u>189,169</u>	<u>222,953</u>
<b><i>Total payments</i></b>						
	-	15,366	22,370	-	16,558	-
	7	30,178	-	30,178	-	-
		<u>14,812</u>	<u>-</u>	<u>7,808</u>	<u>-</u>	<u>20,625</u>
<b><i>Net movement in funds</i></b>						
		15,957	50,964	39,438	106,358	126,983
	A	<u>30,769</u>	<u>43,156</u>	<u>22,880</u>	<u>96,804</u>	<u>106,358</u>

The notes on pages 8 to 10 form part of these accounts.

**GROVE HILL EVANGELICAL CHURCH**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted Funds		Restricted funds	2021	2020
		General funds	Designated funds			
		£	£	£	£	£
<b>A Cash funds</b>	5,6					
Cash at bank with immediate access		30,769	43,155	22,880	96,804	106,328
Petty cash		-	-	-	-	30
		<u>30,769</u>	<u>43,155</u>	<u>22,880</u>	<u>96,804</u>	<u>106,358</u>
<b>B Other monetary assets</b>	5,6					
Gift aid due to charity		13,068	885	934	14,867	18,481
Other debtors		3,754	2,104	-	5,858	6,121
		<u>16,822</u>	<u>2,989</u>	<u>934</u>	<u>20,725</u>	<u>24,602</u>
<b>C Liabilities</b>						
<b>Falling due within one year</b>	5,6					
Loan		-	7,454	-	7,454	10,454
Taxes due		1,179	-	-	1,179	1,360
Fee for Independent Examination		1,300	-	-	1,300	2,170
Accrued expenses		511	2,676	-	3,187	5,700
		<u>2,990</u>	<u>10,130</u>	<u>-</u>	<u>13,119</u>	<u>19,684</u>
<b>Falling due after one year:</b>						
Loan		-	25,086	-	25,086	31,153
		<u>-</u>	<u>25,086</u>	<u>-</u>	<u>25,086</u>	<u>31,153</u>
<b>Total</b>		<u>2,990</u>	<u>35,216</u>	<u>-</u>	<u>38,205</u>	<u>50,837</u>

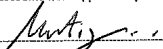
The above loan is repayable in monthly instalments and is repayable in full by April 2026. All other liabilities fall due for settlement within one year.

**D Assets retained for charity's own use**

	Fund to which asset belongs	Book Value	Insurance value
		£	£
The value of the freehold assets owned are:			
Church equipment	General		127,193
Church Building (NBV 2016)	Property Trust	578,000	2,778,104
30 Byron Avenue (2001)	Property Trust	151,000	464,350
121 Grove Hill (2001)	Property Trust	92,000	220,031
62-64 Grove Hill (2001)	Property Trust	280,000	792,968
		<u>1,101,000</u>	<u>4,382,646</u>

The trustees have used insurance values as an approximation for current values

The accounts were approved by the trustees and signed on their behalf by:

  
MARTIN HULL

Date: 15th Dec. 2021

The notes on pages 8 to 10 form part of these accounts.

**GROVE HILL EVANGELICAL CHURCH**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1 Accounting policies**

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

**2 Payments in relation to charitable activities undertaken directly**

	Unrestricted Funds		Designated Funds		Restricted Funds		Total		Total	
	General funds	£	funds	£	Funds	£	2021	£	2020	£
Employment costs (see note 4)	53,751		-		16,178		69,929		84,291	
Youth and children's work	181		-		180		361		2,509	
Outreach activities	194		-		-		194		1,065	
Courses and Conferences	100		-		-		100		5,723	
Maintenance, repairs & equipment	19,244		14,191		8,215		41,650		53,462	
Loan Repayments	-		10,454		-		10,454		7,454	
Utilities	2,720		323		-		3,042		6,464	
Insurance	4,102		2,717		-		6,818		7,263	
Independent examination	2,160		-		-		2,160		-	
Office and support costs	11,521		240		65		11,826		15,575	
Other costs	992		-		50		1,042		3,097	
	<u>94,964</u>		<u>27,924</u>		<u>24,689</u>		<u>147,576</u>		<u>186,903</u>	

**3 Grants paid in relation to charitable activities undertaken by others**

(All payments were made to UK based individuals/organisations)

Grants for:										
For work in the UK	7,400		2,806		7,419		17,625		10,150	
Overseas mission			21,597		2,000		23,597		23,972	
Relief of poverty			-		370		370		1,928	
	<u>7,400</u>		<u>24,403</u>		<u>9,789</u>		<u>41,592</u>		<u>36,050</u>	

**GROVE HILL EVANGELICAL CHURCH**  
**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

The grants to institutions amounting to more than £1,000 were:	2021	2020
	£	£
Grace Baptist Mission	11,060	8,936
Pastor Training International	5,538	5,462
Eurasian Ministries Mission College	3,525	3,474
International Mission to Jewish People (formerly Christian Witness to Israel)		
Christian Education Project	3,474	3,920
Clayhall and Barkingside Church Plant	2,994	2,500
	11,825	5,000

**4 Transactions with related parties**

During the year the charity had 1,6 full time equivalent employed staff and 6 preschool staff paid on a sessional basis, to whom the employment costs above refer. The pre-school closed in July 2020

Ministerial costs, as permitted by the governing document, are employment costs in respect of:

the Pastor, Martin Hull, was paid £41,060 (2020 £39,211) in his capacity of minister of the church and not as a trustee and includes an anniversary offering of £1,953 (2020 £1,009).

the Assistant Pastor, Andrew Evans, for the period 1 to 29 April 2020, was paid £1,096 (2020 £5,746) in his capacity of assistant minister of the church and not as a trustee and includes a leaving gift of £170 (2020 anniversary gift : £2,004); in addition he lived rent free in one of the Church Properties (valued at £780 for the period) and the charity also incurred expenditure totalling £141 (2020: £1626) in respect of the provision of the accommodation.

From 1 August 2020, the Assistant Pastor, Michael Adesanya, was paid £9,333 (2020 nil) in his capacity of assistant minister of the church and not as a trustee; in addition he lived rent free in one of the Church Properties (valued at £6,240 for the period) and the charity also incurred expenditure totalling £1,088 (2020: £0) in respect of the provision of the accommodation.

One of the trustees, Lynda Holmes, is a tenant of one of the Church owned properties. Her tenure is assessed using the rental policy applied to all tenants; her interest is declared at trustee meetings and she does not partake in decisions relating to the properties where she has a pecuniary interest.

**5 Breakdown of Designated funds- Assets and Liabilities**

	Property Rental Fund £	Ready Steady Go £	Legacies/ Special Gifts £	Missionary Support Fund £	Total £
<b>A Cash funds</b>					
Cash at bank with immediate access	-	762	13,960	28,433	43,155
	-	762	13,960	28,433	43,155
<b>B Gift aid due to charity</b>					
Other debtors	2,104	-	-	-	2,104
Other monetary assets	2,104	-	-	865	2,969
<b>C Loans</b>					
Accrued expenses	32,540	-	-	-	32,540
Liabilities	2,676	-	-	-	2,676
	35,216	-	-	-	35,216

GROVE HILL EVANGELICAL CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

Breakdown of Restricted funds - Assets and Liabilities		Barkingside and Clayhall Church Plant	Specific appeals/ donations incl. Covid	Property Trust funds	Pre-school	Total
		£	£	£	£	£
	Cash at bank with immediate access	- 313	3,443	11,785	7,965	22,880
A	Cash funds	- 313	3,443	11,785	7,965	22,880
	Gift aid due to charity	313	621	-	-	934
B	Other monetary assets	313	621	-	-	934

7 Movement of funds

	Balance at 31 March 2020	Receipts	Payments	Transfers	Balance at 31 March 2021
	£	£	£	£	£
General funds	15,957	86,998	- 102,364	30,178	30,769
Designated funds					
Subsidence Project	9,218	-	9,218	-	-
Property Rental Fund	-	69,775	- 18,707	- 51,068	-
Ready Steady Go	667	95	-	-	762
Legacies	13,460	500	-	-	13,960
Missionary Support Fund	27,618	4,328	- 24,403	20,890	28,433
	50,963	74,698	- 52,328	- 30,178	43,155
Restricted funds					
Property Trust Fund	19,000	1,000	- 8,215	-	11,785
Barkingside and Clayhall Church Plant	3,723	2,790	- 6,826	-	313
Pre-school	14,945	7,321	- 14,301	-	7,965
Covid Relief Fund	-	600	- 250	-	350
Specific appeals/ donations: TEAR Fund, Azores, CEP, and GBM	1,770	6,209	- 4,886	-	3,093
	39,438	17,920	- 34,478	-	22,880
Total funds	106,358	179,615	- 189,170	-	96,803