

GROVE HILL EVANGELICAL CHURCH

Report and Accounts

Year ended... 31 March 2022

**GROVE HILL EVANGELICAL CHURCH
LEGAL & ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2022**

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 (until 30 June 2021) Timothy Crispin (From 1 August 2021) Andrew Emohare Adam Herbert (until 27 September 2022) Lynda Holmes Martin Hull Peter Last (from 31 July 2022) 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 2022

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 March 2022.

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. With the relaxation of Covid restrictions, physical meetings have restarted, but virtual options have continued to maximise accessibility - 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'. 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. Trustees are pleased to report the 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.

In early 2022 the Church joined with other local Churches to provide a series of outreach events. Grove Hill was pleased to host several of the activities, including a Holiday Club, Teenager Event and Ladies' Evening. The short course 'Christianity Explored' is offered to those interested in finding out more about Christianity.

Key activities are publicised by leafleting local homes, word of mouth and via the website. The website provides a valuable insight into the work of the Church (www.ghec.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 2021-22 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

The Church's activities continued to be curtailed at the start of the year due to the pandemic. However, weekly meetings continued, albeit virtually at the start of the year. Trustees set another cautious budget in 2021 to ensure that it remained financially viable. It anticipated static general giving and income from property rentals. 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 2021-22.

The outturn reports a small increase in voluntary donations to the General Fund over the previous pandemic year. Most regular donors maintained (or increased) their giving, although casual giving remained much reduced.

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

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 were not 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; in particular the Gift Aid refund from HMRC is not recognised until the following year.

Overall reserves stand at £95,017. These comprise £70,692 Unrestricted (General £44,318 and Designated £26,375) and £24,325 Restricted funds. General congregational income increased by about £2k over the previous year; Property rental income also increased because the property set aside for a Church worker became vacant during the year and was rented out pending recruitment of a successor. Expenditure was lower than budgeted due to the staff vacancy and a delay in undertaking some essential property repairs. The General Fund is showing an in-year surplus of £13,549 after transfers. The Designated Fund balance at year end has reduced mainly because the Legacy Fund was used to replace the Church AV system. The Pre-school Restricted Fund of £7,965 is being held pending a decision on its use.

Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of no less than £25,000 (which equates to about 3 months of routine unrestricted expenditure) so that the charity could continue to operate should income and / or expenditure vary adversely. At the year end, the charity held unrestricted cash of £70,692. This includes £26,018 designated for the Missionary Fund for the following year; the excess funds are held for the purpose of anticipated essential maintenance works.

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: 28 November 2022

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 2022 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.

Jaimee Young

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: 13 December 2022

GROVE HILL EVANGELICAL CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

Notes	Unrestricted Funds		Restricted Funds	2022	2021
	General Funds	Designated Funds			
	£	£	£	£	£
Income receipts					
Donations, legacies and grants	72,354	3,370	6,550	82,274	89,947
Gift aid receipts	13,058	865	934	14,857	18,491
Income from charitable activities	162	328	-	490	430
Rental Income	-	74,432	-	74,432	69,775
Fee Income	-	-	-	-	936
Other	15	-	-	15	36
Total receipts	85,589	78,995	7,484	172,068	179,615
Payments					
Payments in relation to charitable activities undertaken directly	2 92,581	39,570	2,108	134,258	147,576
Grants paid in relation to charitable activities undertaken by others	3 7,651	28,014	3,931	39,596	41,592
Total payments	100,232	67,584	6,039	173,855	189,169
Net of receipts / (payments) before transfers	- 14,643	11,412	1,445	- 1,787	- 9,554
Transfers between funds	7 28,192	- 28,192	-	-	-
Net movement in funds	13,549	- 16,780	1,445	- 1,787	- 9,554
Cash funds as at last year end	30,769	43,156	22,880	96,804	106,358
Cash funds at this year end	A 44,318	26,375	24,325	95,017	96,804

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 2022

	Notes	<u>Unrestricted Funds</u>		Restricted funds £	2022 £	2021 £
		General funds £	Designated funds £			
A Cash funds	5,6					
Cash at bank with immediate access		44,318	26,375	24,325	95,017	98,804
		<u>44,318</u>	<u>26,375</u>	<u>24,325</u>	<u>95,017</u>	<u>98,804</u>
B Other monetary assets	5,6					
Gift aid due to charity		13,912	805	1,190	15,907	14,867
Other debtors		3,838	3,083	-	6,901	5,868
		<u>17,750</u>	<u>3,888</u>	<u>1,190</u>	<u>22,808</u>	<u>20,725</u>
C Liabilities						
Falling due within one year	5,6					
Loan		-	7,454	-	7,454	7,454
Taxes due		-	-	-	-	1,179
Fee for Independent Examination		1,200	-	-	1,200	1,300
Accrued expenses		1,240	1,000	5,489	7,729	3,187
		<u>2,440</u>	<u>8,454</u>	<u>5,489</u>	<u>16,383</u>	<u>13,119</u>
Falling due after one year:						
Loan		-	18,767	-	18,767	25,086
		<u>-</u>	<u>18,767</u>	<u>-</u>	<u>18,767</u>	<u>25,086</u>
Total		<u>2,440</u>	<u>27,220</u>	<u>5,489</u>	<u>35,149</u>	<u>38,205</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		134,697
Church Building (NBV 2016)	Property Trust	578,000	2,933,679
30 Byron Avenue (2001)	Property Trust	151,000	490,354
121 Grove Hill (2001)	Property Trust	92,000	232,353
62-64 Grove Hill (2001)	Property Trust	280,000	837,374
		<u>1,101,000</u>	<u>4,628,457</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: 28 November 2022

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 2022

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.

	Unrestricted Funds		Restricted Funds	Total 2022	Total 2021
	General funds	Designated funds		£	£
	£	£	£	£	£
	47,951	-	2,108	50,059	69,929
	150	933	-	1,083	361
	1,570	-	-	1,570	194
	85	-	-	85	100
	26,276	23,085	-	49,360	41,650
	-	7,454	-	7,454	10,454
	4,439	534	-	4,973	3,042
	4,173	3,798	-	7,971	6,818
	1,140	-	-	1,140	2,160
	4,983	3,766	-	8,749	11,826
	1,815	-	-	1,815	1,042
	92,581	39,570	2,108	134,258	147,576

2 Payments in relation to charitable activities undertaken directly

Employment costs (see note 4)
Youth and children's work
Outreach activities
Courses and Conferences
Maintenance, repairs & equipment
Loan Repayments
Utilities
Insurance
Independent examination
Office and support costs
Other costs

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
Overseas mission
Relief of poverty

7,651	5,112	2,463	15,226	17,625
-	22,902	1,219	24,121	23,597
-	-	250	250	370
7,651	28,014	3,931	38,596	41,592

GROVE HILL EVANGELICAL CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

The grants to Institutions amounting to more than £1,000 were:

	2022 £	2021 £
Grace Baptist Mission	9,403	11,060
Pastor Training International	5,787	5,538
Eurasian Ministries Mission College	3,616	3,525
International Mission to Jewish People (formerly Christian Witness to Israel)	3,616	3,474
Lebanon Baptist Trust (via Impact Giving)	1,500	-
UCCF Relay (via Stewardship Services)	2,420	-
Christian Education Project	2,400	2,994
All Nations Church Plant (Clayhall and Barkingside)	7,213	11,825

4 Transactions with related parties

During the year the charity had 1 full time employee for the whole year and 1 part time (0.6 FTE) until 30 June 2021.

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

- the Pastor, Martin Hull, was paid £41,997 (2021 £41,060) in his capacity of minister of the church and not as a trustee and includes an anniversary offering of £2,108 (2021 £1,953).
 - The Assistant Pastor, Michael Adesanya, was paid £3,500 (2020 £9,333) until 30 June 2021 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 £2,340 for the period) and the charity also incurred expenditure totalling £1,150 (2020: £1,088) 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.
- One of the trustees, Adam Herbert, is a tenant of one of the Church owned properties. His tenure is assessed using the rental policy applied to all tenants; his interest is declared at trustee meetings and he does not partake in decisions relating to the properties where he has a pecuniary interest.
- One of the trustees, Tim Crispin (Crisp Finish), on occasions undertakes urgent maintenance work at the Church and properties. During 2021-22 this totalled £5,296.

5 Breakdown of Designated funds - Assets and Liabilities

	Property Rental Fund £	Ready Steady Go £	Legacies/ Special Gifts £	Missionary Support Fund £	Total £
Cash at bank with immediate access	-	157	-	26,218	26,375
A Cash funds	-	157	-	26,218	26,375
Gift aid due to charity	-	-	-	805	805
Other debtors/ prepayments	3,063	-	-	-	3,063
B Other monetary assets	3,063	-	-	805	3,868
Loans	26,220	-	-	-	26,220
Accrued expenses/ deferred income	1,000	-	-	-	1,000
C Liabilities	27,220	-	-	-	27,220

GROVE HILL EVANGELICAL CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

Breakdown of Restricted funds - Assets and

6 Liabilities

Cash at bank with immediate access

A Cash funds

All Nations Church Plant	Specific appeals/ donations incl. Covid	Property Trust Funds	Pre-school	Total
£	£	£	£	£
- 413	4,988	11,785	7,965	24,325
- 413	4,988	11,785	7,965	24,325

Gift aid due to charity

B Other monetary assets

463	727	-	-	1,190
463	727	-	-	1,190

Accrued expenses

C Liabilities

50	5,439	-	-	5,489
50	5,439	-	-	5,489

7 Movement of funds

	Balance at 31 March 2021 £	Receipts £	Payments £	Transfers £	Balance at 31 March 2022 £
General funds	30,769	85,589	100,232	28,192	44,318
Designated funds					
Property Rental Fund	-	74,432	24,677	49,755	-
Ready Steady Go	762	328	933	-	157
Legacies	13,960	-	13,960	-	-
Missionary Support Fund	28,434	4,235	28,014	21,563	26,218
	43,156	78,995	67,584	28,192	26,375
Restricted funds					
Property Trust Fund	11,785			-	11,785
All Nations Church Plant *	313	2,113	2,213	-	413
Pre-school	7,965			-	7,965
Covid Relief Fund	350	175	250	-	275
Specific appeals/ donations: TEAR Fund, Azores etc.	3,093	5,196	3,576	-	4,713
	22,880	7,484	6,039	-	24,325
Total funds	96,805	172,068	173,855	-	95,017