

**ASSOCIATION OF
GRACE BAPTIST CHURCHES
(SOUTH EAST)**

**CONSOLIDATED
FINANCIAL STATEMENTS**

**FOR THE
YEAR ENDED 31 DECEMBER 2023**

Charity number: 276352

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**REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2023**

The trustees have pleasure in submitting their report and the audited financial statements for the Association for the year ended 31st December 2023. They have been prepared in the format prescribed by the Statement of Recommended Practice (FRS102) 'Accounting and Reporting by Charities' issued by the Charity Commission.

Objectives and Activities

Objectives

The objects of the Association are to:

- 1 uphold and promote the Doctrinal Basis
- 2 promote the unity and prosperity of its Members
- 3 assist the Members in their charitable purposes as recognised in English law
- 4 devise and employ means for the furtherance of the gospel, primarily in the Geographical Area

Policies

The trustees seek to achieve the objects of the Association by encouraging fellowship between churches in prayer, evangelism and practical concern through an Annual Meeting and regular District meetings and activities; supporting member churches in initiating the planting and re-planting of churches in spiritually needy areas; providing help with evangelism through appointed staff, seminars etc; production of a prayer bulletin and other e-mail circulars. The trustees also seek to ensure member churches continue to function effectively by keeping them informed regarding legislation and practical matters relating to property, finance, taxation, insurance etc.

The trustees confirm that they have had due regard to the guidance issued by the Charity Commission on public benefit when planning their activities for the year.

Grant-making Policies

The charity invites applications for funding from churches who are affiliated to the Association of Grace Baptist Churches (South East). The applications are reviewed against specific criteria and objectives, which are set by the Committee. All funded projects are monitored and reviewed on an annual basis.

The charity may also make small grants to individual church members and pastors from churches who are affiliated to the Association of Grace Baptist Churches (South East).

Achievements and Performance

The Association fulfilled its objectives throughout the year.

The Association had 73 member churches at the end of 2023. There is a wide range of activities within these churches including weekly public worship services, Sunday schools, prayer meetings, children's and young people's groups, clubs for the elderly and outreach events reaching many diverse communities.

In March 2023, the Charity organised its second Pastors' & Elders' Overnighter conference held at the High Leigh Conference Centre in Hertfordshire. Over 75 men attended and listened to preaching as well as interacting in group discussions. The Saturday 'Saved2Serve' conference for young people interested in Christian service took place as a day conference at the end of March 2023 with around 50 young people attending.

In June, the Charity organised its first Summer Conference aimed at inviting trainee pastors and pastors from non-Association churches to hear high quality lectures from a Baptist theologian. The speaker was Prof Jim Hamilton from the Southern Seminary, USA who spoke on Biblical Typology. In October 2023 the Charity also ran its first residential conference for 15 trainee pastors before the annual Association Day. The main speaker at both events was Jonathan Leeman from 9marks, USA.

The churches gathered in person for our 152nd Association Day and AGM in September 2022 and we were pleased to welcome several pastors who had been appointed to Churches during the previous year. The day included teaching ministry and church reports as well as a presentation by Mike Judge equipping churches to interact well with social media and the local/national Press.

The Charity also produced its first colour promotional brochure and an informative map showing the location of the churches in the Association (although issued in 2024).

REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2023
(continued)

The Association continued to be involved in supporting ongoing church planting projects including Haslemere, Brighton, Didcot and Greenwich. The Association also provided training grants to five men from Association churches to enable them to undertake theological training.

The Association also fostered practical help and support between churches at local level by encouraging activities in the five geographical districts within the Association. This is reflected in ongoing district prayer meetings, leadership fraternals, joint events and general inter-church fellowship, which are increasingly moving back to being in-person events.

Financial help was given to churches and individuals in the form of grants (benevolent) including a special Covid-19 grant to help those struggling in the current crisis.

Financial Review and Future plans

Due to the level of exceptional income this year, the accounts have been prepared on a consolidated basis; This basis combines the results of the charity with that of its subsidiary Grace Baptist Charities Limited.

The total consolidated funds of the charity increased to £8,612,314 during 2023, a increase of 17.7%. This included unrealised gains of £160,054 on the revaluation of investments, due to continued volatility in the stock markets.

The movement on funds before taking into account all gains on investments was a surplus of £1,087,926. The surplus on the General Fund was £1,096,354. This was as a result of a exceptional proceeds from the sale of two redundant manses. If the exceptional proceeds are excluded then the Association incurred a deficit on its general fund. This is in line with the policy of utilising historic reserves agreed by the Committee.

Income

Total income in 2023 increased by 320.0%. This was split between a increase of £1,295,689 in unrestricted funds' income and a decrease of £58,366 in restricted funds' income. This was due to the sale of two redundant manses. One of manses was previously held as Charitable property but for the other the Association was the ultimate beneficiary upon closure of the church.

Expenditure

Total expenditure decreased by £25,242. This was split between a increase of £66,727 in unrestricted funds' expenditure and a decrease of £91,969 in restricted funds' expenditure. The general fund increase arose due to an increase in staff costs as the Company Secretary was employed by the full year, some new windows installed in a residential building owned by the Association and the costs of the summer and residential conference. The restricted funds' reduction arose from the Brighton Fund being transferred to the newly constituted church in 2022 and the Hawthorne Fund being extinguished in 2022.

Financial Review

A comprehensive financial review takes place each November and policies and budgets for the year ahead are established and refined. Through the year, the budget is compared with actual performance at the Committee meetings following the end of each quarter. This informs the budget for the new calendar year.

Investment powers

The trustees have power to invest, subject to the Trustee Act 2000, and seek to avoid investments which are inconsistent with evangelical ethical standards.

Investment policy

The Investment Policy was reviewed in 2018 with the help of an independent financial adviser and is regularly discussed with the Investment managers to ensure it remains up to date.

REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2023
(continued)

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity, at a level that equates to approximately six months' unrestricted expenditure. This provides sufficient funds to cover support costs, management and administration and to respond to emergency applications for grants that may arise from time to time.

Fundraising

In recent years, the charity has limited its fund-raising activities to discussion at meetings of trustees and members around budgets and comparison of actual outturn versus budget. The charity does not employ outside or commercial fund-raisers, and does not make appeals for funds beyond its members. The charity has not subscribed to any fund-raising regulator.

Structure, Governance and Management

The Association was constituted on 10th March 1871. The Association is registered as a charity under reference number 276352.

The Committee

The following extracts are taken from the Constitution and Rules of the Association:

- 7.1 The Committee are charity trustees of the Association and its property and funds
- 7.2 The Committee when complete consists of:
 - 7.2.1 twenty elected members elected in accordance with this clause or such other policies and procedures as may be adopted from time to time,
 - 7.2.2 the District Representatives
 - 7.2.3 the Treasurer
- 7.3 Up to 3 persons, who shall not be trustees or have any voting rights, may be co-opted by and to the committee for the period up to the next AGM.
- 7.4 Election to Committee membership is open to any individual who is a member of a Member church and approved for election by that Member church. Notwithstanding clause 7.1, an employee of the Association may be a member of the Committee with the prior written consent of the Charity Commission.
- 7.5 The election of Committee members is by secret ballot.
- 7.6 No person shall be an elected member unless the number of votes he or she receives equals or exceeds the number which is one third of the Messengers (from Member churches) present at the relevant AGM.
- 7.7 Subject to clause 7.9 the election or appointment of each Committee member (except co-optees) shall be for a term of three years. Committee members shall (if otherwise qualified) be eligible for re-election or re-appointment as from the end of such term.
- 7.8 Every Committee member must sign a declaration of willingness to act as a charity trustee of the Association before he or she is eligible to vote at any meeting of the Committee.
- 7.13 The membership of the Committee shall so far as possible (and consistent with the above provisions) be balanced equally between individuals in full time pastoral or other Christian ministry and individuals from other backgrounds, especially those with experience of property, financial, legal and administrative matters, that is to say individuals who are or have been engaged in a profession, business or trade.

Connected Charities

The Association is connected to **Grace Baptist Charities Limited**. This charity holds funds on deposit for the Association.

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 systems are in place to mitigate its exposure to the major risks. A risk register is maintained and reviewed.

Key risks and the steps taken to mitigate these include liquidity (properties and investments can be sold to provide greater liquidity); loss of data and systems (mitigated by contracting with external supplier of IT support and off-site backups); and loss of key personnel (processes documented).

REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2023
(continued)

Induction and training of trustees

An induction letter is sent to new trustees which refers to their key role and liability and lists responsibilities which trustees are charged with fulfilling. Enclosed with the letter is the publication by the Charity Commission entitled "The Essential Trustee: What you need to know". The letter has been updated to indicate that trustees will be informed about training opportunities from time to time. The charity's fund managers, Investec, run a series of training seminars each year.

Arrangements for setting pay and remuneration of key management personnel

The Association's pay policy confirms the arrangements for setting levels of remuneration:

- All employees' salaries are reviewed annually as at 1st January of each year.
- The Executive Committee sets the rate of annual increase to be applied for all employees as part of the Financial Review in November. This is reported to the Main Committee.
- Any other changes to salaries or terms and conditions are agreed by the Executive Committee and reported to the Main Committee.

Responsibility of duties and delegation.

The following extracts are taken from the Constitution and Rules of the Association:

Powers of the Committee:

- 10.1 to appoint a Treasurer subject to approval by the Member churches in general meeting and other honorary officers.
- 10.2 to delegate any of their functions to sub-committees consisting of three or more persons appointed by them.
- 10.3 to elect an Executive with the composition, function and delegated powers set out in clauses 11 and 12.2.
- 10.4 to make Standing Orders consistent with this Constitution to govern proceedings at General Meetings.
- 10.5 to make Rules consistent with this Constitution about the Committee and sub-committees.
- 10.6 to make Regulations consistent with this Constitution about the running of the Association.

Powers of the Executive:

- 11.1 The Executive when complete shall consist of the Chairman, the Treasurer, and six other Committee members elected by the Committee by secret ballot.
- 11.2 Membership of the Executive shall
 - 11.2.1 take effect from the date of the first committee meeting of the calendar year.
 - 11.2.2 be for a period of three years at the end of which members of the Executive shall be eligible for re-election.
- 11.3 Each member of the Executive shall unless disqualified by law serve as a director of the Company (Grace Baptist Charities Limited).
- 11.4 The Executive shall formulate, review, and prepare recommendations as to, matters for discussion or decision at meetings of the Committee or at general meetings.
- 11.5 The Executive shall be available for consultation on matters within the Association Secretary's or the Finance Officer's remit and shall have the power to take decisions in matters touching the Association or Member churches on behalf of the Association Secretary or the Committee in cases of emergency where in the reasonable judgment of the Executive the matter cannot await a regular or special Committee meeting.

Responsibility of duties and delegation continued

Powers delegated to staff:

- 12.1 Subject to clause 12.3 the Committee shall appoint such employees as are necessary for the satisfactory running of the Association and of the Company including:
 - 12.1.1 the following Officers:
 - 12.1.1.1 an Association Secretary who shall be responsible for the day-to-day running of the Association.
 - 12.1.1.2 a Finance Officer who shall be responsible for the financial affairs of the Association and of the Company.
 - 12.1.2 an employee who shall serve as Company Secretary of the Company and each of whom shall be accountable to the Committee for the discharge of these responsibilities.
- 12.2 The Association Secretary, Finance Officer and Company Secretary shall be required, unless indisposed, to attend Committee meetings and Executive meetings.
- 12.3 The power to fix employees' terms of employment (including salary and job description) shall be delegated and reserved to the Executive.

REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2023
(continued)

Reference and Administrative Details

Trustees during the year were:

P Fuggle. (Chairman)	Miss M O' Mara;	A J Wigham
A Creedy	J Southcombe (Treasurer)	P M Woodley
B O J Jones	D J Mortimer.	
AA Ottley	C Mukanga	
R B King	J Sayers	
S J Lloyd	P Smith	

Key management personnel during the year were:

Association Secretary	Andrew King
Company Secretary of Grace Baptist Charities Ltd	L Winmill
Finance Officer	A M Gardner

The registered office is at 62 Bride Street, London, N7 8AZ

The principal advisers of the charity are as follows:

Registered Auditors:	Jacob Cavenagh & Skeet, 5 Robin Hood Lane, Sutton, Surrey SM1 2SW
Bankers	CAF Bank Limited, 25 Kingshill Avenue, Kingshill, West Malling, Kent ME19 4JQ
Investment advisers	Investec Wealth and Investment Ltd, 2 Gresham Street, London EC2 7QP Rathbones Investment Management, 8 Finsbury Circus, London, EC2M 7AZ
Principal Solicitors	Carter, Lemon Camerons LLP, 10 Aldersgate Street, London, EC1A 4HJ Edward Connor Solicitors, 10 The Point, Market Harborough, LE16 7QU

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



J. Southcombe
Trustee

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
ASSOCIATION OF GRACE BAPTIST CHURCHES
(SOUTH EAST)

Opinion

We have audited the financial statements of the Association of Grace Baptist Churches (South East) (the "Charity") for the year ended 31 December 2023 and its subsidiary (the "Group") which comprise the consolidated Statement of Financial Activities, consolidated and parent Balance Sheets, the consolidated cashflow statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Charity's affairs as at 31 December 2023 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and parent Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
ASSOCIATION OF GRACE BAPTIST CHURCHES (SOUTH EAST)
(continued)

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Group's and Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Group or Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Group and Charity, we identified that the principal risks of non-compliance with laws and regulations related to charity legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We assessed the susceptibility of the Group's and Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to management bias in accounting estimates including valuation of investment property, management override of controls and the mis-statement of investments and property transactions.


In response to the risks identified we designed procedures which included, but were not limited to challenging significant accounting estimates, evaluating the Group's and Charity's internal controls and verification of investment and property transactions.

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Group's and Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Group's and Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and Charity and the Group's and Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Jacob Cavenagh & Skeet,
Statutory Auditor
Chartered Accountants**

15 JULY 2024

5 Robin Hood Lane,
Sutton,
Surrey
SM1 2SW

Jacob Cavenagh & Skeet is eligible for appointment as auditor of the Group and Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022* Total Funds £
Income from:					
Donations and legacies	2	122,969	37,892	160,861	162,797
Charitable activities	3	116,819	-	116,819	103,622
Investments	4	183,541	20,640	204,181	120,272
Other Income: Surplus on sale of fixed asset	5	1,142,153	-	1,142,153	-
Total Income		1,565,482	58,532	1,624,014	386,691
Expenditure on:					
Raising funds	6	21,160	1,161	22,321	20,911
Charitable activities	7	447,968	65,799	513,767	540,419
Total expenditure		469,128	66,960	536,088	561,330
Operating surplus / (deficit)		1,096,354	(8,428)	1,087,926	(174,639)
Net gains / (losses) on investments					
Realised gains on investments		48,277	474	48,751	9,962
Unrealised gains / (losses) on investments	13	171,476	(11,422)	160,054	(425,091)
Total net gains / (losses) on investments		219,753	(10,948)	208,805	(415,129)
Net income / (expenditure)		1,316,107	(19,376)	1,296,731	(589,768)
Transfers between funds		(7,630)	7,630	-	-
Net movement in funds		1,308,477	(11,746)	1,296,731	(589,768)
Reconciliation of funds:					
Funds brought forward		6,665,992	649,591	7,315,583	7,905,351
Funds carried forward	19 & 20	7,974,469	637,845	8,612,314	7,315,583

No activities were acquired or discontinued during the year.

* For analysis of unrestricted and restricted financial activities for 2022, see next page.

**ASSOCIATION OF GRACE BAPTIST CHURCHES
(SOUTH EAST)**

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2023

**Analysis of financial activities for previous year :*

	2022		
	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>2022 Total funds £</i>
Income and endowments from:			
Donations and legacies	63,410	99,387	162,797
Charitable activities	103,622	-	103,622
Investments	102,761	17,511	120,272
Other Income	-	-	-
Total income and endowments	269,793	116,898	386,691
Expenditure on:			
Raising funds	19,531	1,380	20,911
Charitable activities	382,870	157,549	540,419
Total expenditure	402,401	158,929	561,330
Operating (deficit)	(132,608)	(42,031)	(174,639)
Net gains / (losses) on investments:			
Realised gains on investments	8,824	1,138	9,962
Unrealised (losses) / gains on investments	(426,265)	1,174	(425,091)
Total net (losses) / gains on investments	(417,441)	2,312	(415,129)
Net (expenditure)	(550,049)	(39,719)	(589,768)
Transfers between funds	(4,569)	4,569	
Net Movement in Funds	(554,618)	(35,150)	(589,768)
Reconciliation of funds:			
Funds brought forward	7,220,610	684,741	7,905,351
Funds carried forward	6,665,992	649,591	7,315,583


**ASSOCIATION OF GRACE BAPTIST CHURCHES
(SOUTH EAST)**

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**CONSOLIDATED BALANCE SHEET
AT 31ST DECEMBER 2023**

	<i>Note</i>	2023	2022
		£	£
Fixed assets			
Tangible assets	12	3,330,439	3,909,164
Investments	13	<u>5,736,342</u>	<u>4,055,231</u>
		9,066,781	7,964,395
Current assets			
Loans	14	705,677	859,691
Debtors	15	57,412	53,703
Current Asset Investments	16	61,020	159,669
Cash in hand		<u>1,344,073</u>	<u>863,929</u>
<i>Total current assets</i>		2,168,182	1,936,992
Liabilities			
Creditors: Amounts falling due within one year:			
Other creditors	17	<u>2,198,984</u>	<u>2,127,128</u>
Net current assets		(30,802)	(190,136)
Total assets less current liabilities		9,035,979	7,774,259
Creditors: amounts falling due after one year	18	<u>(423,665)</u>	<u>(458,676)</u>
Total net assets	21	8,612,314	7,315,583
The funds of the charity:			
Unrestricted funds	19	7,935,442	6,622,584
Revaluation Reserve (unrestricted)		<u>39,027</u>	<u>43,408</u>
Total unrestricted funds		7,974,469	6,665,992
Restricted funds	20	452,593	450,945
Revaluation reserve (restricted)		<u>185,252</u>	<u>198,646</u>
Total restricted funds		637,845	649,591
Total funds	21	8,612,314	7,315,583

These financial statements were approved by the trustees on 1st July 2024 and signed on their behalf by:


J. Southcombe
Trustee

**ASSOCIATION OF GRACE BAPTIST CHURCHES
(SOUTH EAST)**

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CHARITY BALANCE SHEET
AT 31ST DECEMBER 2023

	<i>Note</i>	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	12		3,330,439		3,909,164
Investments	13		<u>4,277,347</u>		<u>2,632,912</u>
			<u>7,607,786</u>		<u>6,542,076</u>
Current assets					
Loans	14	2,660		2,660	
Debtors	15	25,294		18,589	
Cash deposited with Grace Baptist Charities Ltd		337,416		182,901	
Cash in hand		<u>428</u>		<u>325</u>	
<i>Total current assets</i>		<u>365,798</u>		<u>204,475</u>	
Liabilities					
Creditors: Amounts falling due within one year:					
Other creditors	17	<u>31,981</u>		<u>38,946</u>	
Net current assets			<u>333,817</u>		<u>165,529</u>
Total net assets	21		<u>7,941,603</u>		<u>6,707,605</u>
The funds of the charity:					
Unrestricted funds	19		7,461,639		6,211,657
Revaluation Reserve (unrestricted)			<u>-</u>		<u>-</u>
Total unrestricted funds			<u>7,461,639</u>		<u>6,211,657</u>
Restricted funds	20		294,712		297,302
Revaluation reserve (restricted)			<u>185,252</u>		<u>198,646</u>
Total restricted funds			<u>479,964</u>		<u>495,948</u>
Total funds	21		<u>7,941,603</u>		<u>6,707,605</u>

The Charity's net income for the year was £1,233,998 (2022: net expenditure £545,499).

These financial statements were approved by the trustees on 1st July 2024 and signed on their behalf by:


J. Southcombe
Trustee

**ASSOCIATION OF GRACE BAPTIST CHURCHES
(SOUTH EAST)**

(12)

**CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2023**

Statement of cash flows:		2023 Total Funds £	2022 Total Funds £
Cash flows from operating activities:	Table		
Net cash provided by (used in) operating activities	A	(48,284)	(428,294)
Cash flows from investing activities:			
Dividends, interest and rent from investments		191,147	89,160
Proceeds from sale of property		1,730,446	-
Purchase of property and equipment		(17,199)	(4,373)
Proceeds from sale of other investments		(2,309)	(1)
Proceeds from sale of investments		2,118,981	1,195,095
Purchase of investments		(3,492,638)	(2,481,668)
Net cash provided by/(used in) investing activities		528,428	(1,201,787)
Change in cash and cash equivalents in the reporting period		480,144	(1,630,081)
Cash and cash equivalents at the beginning of the reporting period		863,929	2,494,010
Cash and cash equivalents at the end of the reporting period	B	1,344,073	863,929

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

	2023 £	2022 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	1,296,731	(589,768)
Depreciation charges	7,631	8,756
Equipment reclassified as expenditure (ie. written off)	-	255
(Gains) / losses on investments	(208,805)	415,129
Dividends, interest and rent from investments	(204,181)	(120,272)
Profit on sale of fixed assets	(1,142,153)	-
Decrease / (increase) in debtors	163,355	(10,316)
Increase / (decrease) in creditors	39,138	(132,078)
Net cash provided by (used in) operating activities	(48,284)	(428,294)

Table B - Analysis of cash and cash equivalents:

Cash in hand	1,296,350	817,633
Notice Deposits (Less than 3 months)	47,723	46,296
Total cash and cash equivalents	1,344,073	863,929

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023

I 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 and other investments. The financial statements are prepared in pounds sterling rounded to the nearest pound and are the consolidated position of the Association of Grace Baptist Churches (South East) and its subsidiary Grace Baptist Charities Limited.

The accounts have been consolidated on a line by line basis.

The Association of Grace Baptist Churches (South East) 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 its operations for the foreseeable future.

(c) Income

Voluntary income including legacies 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.

Loan interest receivable, interest payable on deposits, Rental income and management charges are recognised on an accruals basis.

(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.

(e) Fixed assets

Fixed assets held for charity use are stated at cost. Where freehold and leasehold properties are maintained to such a standard that their estimated residual value is in excess of their net book value at any time and depreciation is immaterial, no depreciation is charged.

(f) Depreciation

Where properties are maintained to such a standard that their estimated residual value is in excess of their net book value at any time and depreciation is immaterial, no depreciation is charged.

Depreciation is provided on all other tangible fixed assets at rates calculated to write off the cost or valuation of each asset over its expected useful life as follows:

Fixtures and fittings	-	Between 10% and 20% on cost
Computer equipment	-	Between 10% and 33% on cost

(g) Investments

Investments and investment properties are stated at market value. The trustees review the value of investment properties annually and obtain external valuations every five years.

Realised and unrealised gains and losses arising on the disposal or revaluation of investments and investment properties are included in the Statement of Financial Activities.

(h) Debtors

Loans to churches and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

(i) 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.

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023

(Continued)

(j) **Cash at bank**

Cash at bank includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

(k) **Creditors**

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.

(l) **Pensions**

The charity operates a defined contribution pension scheme. Contributions payable are charged in the Statement of Financial Activities.

(m) **Fund accounting**

The funds held by the charity are either:

- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes; or
- Unrestricted funds – these are funds which can be used in accordance with the charitable objects at the discretion of the directors.

2 INCOME FROM DONATIONS & LEGACIES

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Consolidated				
Donations from churches	51,353	250	51,603	57,585
Other donations	1,675	310	1,985	10,389
Grant from Grace Baptist Charities Ltd	-	-	-	-
Other grants received	69,941	37,332	107,273	94,823
	122,969	37,892	160,861	162,797

3 INCOME FROM CHARITABLE ACTIVITIES

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Consolidated				
Income received from tangible assets	20,225	-	20,225	19,056
Income from other charitable activities	28,668	-	28,668	18,069
Management charges	49,301	-	49,301	55,046
Interest from churches and trusts	18,625	-	18,625	11,451
	116,819	-	116,819	103,622

4 INCOME FROM INVESTMENTS

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Consolidated				
Investments listed on recognised stock exchange	120,774	1,594	122,368	92,118
Investments properties - regular income	6,817	12,810	19,627	18,105
Deposit interest	55,950	6,236	62,186	10,049
	183,541	20,640	204,181	120,272

5 OTHER INCOME

	2023 Unrestricted	2023 Restricted	2023 Total	2022 Total
Proceeds from the sale of a redundant Manse (Kew)	987,859	-	987,859	-
Surplus from the sale of Fixed Assets	154,294	-	154,294	-
	1,142,153	-	1,142,153	-

6 EXPENDITURE ON RAISING FUNDS

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Consolidated				
Investment property expenditure	1,824	598	2,422	5,569
Investment management	19,336	563	19,899	15,342
	21,160	1,161	22,321	20,911

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023
(Continued)

7 EXPENDITURE ON CHARITABLE EXPENSES

		2023	2023	2023	2022
		Unrestricted	Restricted	Total	Total
Consolidated	Note	£	£	£	£
Staff costs	8	219,297	22,977	242,274	237,018
Development consultancy		1,065	-	1,065	4,656
Property expenditure		36,718	1,686	38,404	53,153
Grants payable	10				
Churches and institutions		50,627	18,288	68,915	117,160
Individuals		7,580	20,486	28,066	39,086
Home Mission costs exc. Personnel		-	2,069	2,069	2,131
Office and stationery costs		17,692	253	17,945	18,506
Photocopier costs including rentals		2,411	-	2,411	1,990
Depreciation		7,631	-	7,631	9,011
Website and publications		2,547	-	2,547	210
Provision of conferences and training		17,817	-	17,817	7,830
Management charge		-	40	40	60
Trustees' indemnity insurance		397	-	397	877
Interest paid to churches and trusts		69,879	-	69,879	33,053
Bank charges and interest		358	-	358	312
		<u>434,019</u>	<u>65,799</u>	<u>499,818</u>	<u>525,053</u>
Governance costs:					
Legal and professional fees		85	-	85	3,559
Auditors' fees	11	9,192	-	9,192	8,830
Costs of meetings		4,672	-	4,672	2,977
		<u>13,949</u>	<u>-</u>	<u>13,949</u>	<u>15,366</u>
Total Expenditure on charitable activities		<u>447,968</u>	<u>65,799</u>	<u>513,767</u>	<u>540,419</u>

8 STAFF COSTS

Consolidated	2023	2022
	£	£
Total staff emoluments for the year were as follows:		
Salary costs	197,042	192,779
National Insurance costs	14,296	14,354
Employer's pension contributions	22,244	21,491
Benefits in kind - season tickets	1,031	1,131
Other staff travel etc.	3,635	4,271
Staff training and conferences	4,026	2,992
	<u>242,274</u>	<u>237,018</u>

There were no pension contributions outstanding at year end. (2022:nil). No employee received remuneration amounting to more than £60,000 in the current year or previous year.

The average number of staff by head count and full-time equivalent during the year was:

	2023	2023	2022	2022
	Head Count	Fte	Head Count	Fte
	Ave. No	Ave. No	Ave. No	Ave. No
Association office staff	5.0	4.2	6.0	4.1
Home Mission staff	1.0	0.4	1.0	0.4
Total staff	<u>6.0</u>	<u>4.6</u>	<u>7.0</u>	<u>4.5</u>

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023

(Continued)

9 KEY MANAGEMENT PERSONNEL

The key management personnel for the Association are Association Secretary, Company Secretary and Finance Officer. The total employee benefits received by these personnel were:

	2023	2022
	£	£
Salary costs	125,512	137,332
National Insurance costs	13,546	15,014
Employer's pension contribution	15,272	10,726
Benefits in kind	-	150
	<u>154,330</u>	<u>163,222</u>

10 GRANTS PAYABLE

Consolidated

Grants payable to churches and institutions:

	2023	2023	2023	2022
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Affinity	4,256	-	4,256	5,254
Hayes Lane Baptist Church, Bromley	-	18,288	18,288	15,240
St. John's Wood Road Baptist Church	-	-	-	33,557
Cost of Living Grants (7 Churches)	10,500	-	10,500	7,500
Edlesborough Baptist Church (Churches Aid Fund)	-	-	-	5,000
Grace Baptist Church Grays (Churches Aid Fund)	-	-	-	5,000
Newtown Baptist Church, Chesham (Training)	10,000	-	10,000	12,000
Abbey Baptist Church, Abingdon (Training)	2,000	-	2,000	-
Grace Church, Walthamstow (Churches Aid Fund)	-	-	-	3,064
Grace Church Brighton (Training)	12,000	-	12,000	14,000
Grace Church Brighton	821	-	821	12,905
Rehoboth Baptist Church, Horsham (Training)	-	-	-	(2,162)
Grace Baptist Church, North Watford (Churches Aid Fund)	5,000	-	5,000	-
Grace Church Southall (Churches Aid Fund)	5,000	-	5,000	-
Kings Road Baptist Church, Chingford (Churches Aid Fund)	-	-	-	5,000
Small Training Grants (Churches Aid Fund)	1,050	-	1,050	800
	<u>50,627</u>	<u>18,288</u>	<u>68,915</u>	<u>117,158</u>

All grants to churches and institutions are either approved by the trustees or are reported to the trustees, if being made in accordance with the terms of a restricted fund. The grants are made for the purposes of supporting member churches with building repairs or specific projects.

Grants payable to individuals:

	2023	2022
	£	£
Training Fund - unrestricted (3 grants)	6,900	16,000
Churches Aid Fund - unrestricted (4 grants)	680	1,600
Cost of Living Grants - unrestricted (10 grants)	-	5,000
Benevolent Fund - restricted (6 grants)	10,901	7,081
Pastors' Retiring & Widows' Fund - restricted (9 beneficiaries)	9,585	9,405
	<u>28,066</u>	<u>39,086</u>

All grants to individuals are approved by the trustees with the exception of grants from the Benevolent Fund which, for reasons of confidentiality, are proposed by the Association Secretary, authorised by the Honorary Treasurer and paid by the Finance Officer.

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023
(Continued)

11 AUDIT, INDEPENDENT EXAMINATION AND OTHER FINANCIAL SERVICES FEES

Consolidated

The company's auditors made the following charges:

	2023	2022
	£	£
Fee for audit of accounts	9,120	8,460
Fee for other services	72	112
	<u>9,192</u>	<u>8,572</u>

Charity

The company's auditors made the following charges:

	2023	2022
	£	£
Fee for audit of accounts	4,920	4,560
Fee for other services	36	32
	<u>4,956</u>	<u>4,592</u>

12 TANGIBLE ASSETS

Consolidated and Charity

Held in furtherance of the charity's objects:

	Freehold property £	Leasehold property £	Fixtures, fittings and equipment £	Total £
Market Value / Cost				
At 1st January 2023	3,583,705	315,600	40,561	3,939,866
Disposals	(588,293)	-	(1,228)	(589,521)
Additions	-	-	17,199	17,199
At 31st December 2023	<u>2,995,412</u>	<u>315,600</u>	<u>56,532</u>	<u>3,367,544</u>
Depreciation				
At 1st January 2023	-	-	30,702	30,702
Disposals	-	-	(1,228)	(1,228)
Additions	-	-	7,631	7,631
At 31st December 2023	<u>-</u>	<u>-</u>	<u>37,105</u>	<u>37,105</u>
Net book value				
At 31st December 2023	<u>2,995,412</u>	<u>315,600</u>	<u>19,427</u>	<u>3,330,439</u>
At 31st December 2022	<u>3,583,705</u>	<u>315,600</u>	<u>9,859</u>	<u>3,909,164</u>

13 INVESTMENTS

Consolidated

	2023 Investment properties £	2023 Quoted investments £	2023 Total £
Market value at 1st January 2023	547,917	3,507,314	4,055,231
Additions	-	3,591,287	3,591,287
Disposals	-	(2,070,230)	(2,070,230)
Unrealised (losses) / gains	(17,775)	177,829	160,054
Market value at 31st December 2023	<u>530,142</u>	<u>5,206,200</u>	<u>5,736,342</u>
At Cost			
As at 31st December 2023	<u>305,863</u>	<u>4,264,345</u>	<u>4,570,208</u>
As at 31st December 2022	<u>305,863</u>	<u>3,278,865</u>	<u>3,584,728</u>

The trustees obtained professional valuations for all the investment properties in December 2021. The trustees have used this as the basis for the current valuation and have adjusted it by reference to the national house price index information.

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023
(Continued)

13 INVESTMENTS (continued)

	2023	2023	2023
	Investment	Quoted	Total
	properties	investments	
	£	£	£
Charity			
Market value at 1st January 2023	368,146	2,264,766	2,632,912
Additions	-	3,290,178	3,290,178
Disposals	-	(1,759,192)	(1,759,192)
Unrealised (losses) / gains	(13,394)	126,843	113,449
Market value at 31st December 2023	<u>354,752</u>	<u>3,922,595</u>	<u>4,277,347</u>
At Cost			
As at 31st December	<u>169,500</u>	<u>2,969,765</u>	<u>3,139,265</u>
As at 31st December 2022	<u>169,500</u>	<u>1,984,285</u>	<u>2,153,785</u>

The trustees obtained professional valuations for all the investment properties in December 2021. The trustees have used this as the basis for the current valuation and have adjusted it by reference to the national house price index information.

14 LOANS

	2023	2022
	£	£
Consolidated		
Interest Free Loan (to 1 church)	2,660	2,660
Interest Bearing Loans to churches (3)	211,017	288,031
Interest Bearing Loans to Trusts (4)	492,000	569,000
	<u>705,677</u>	<u>859,691</u>
Charity		
Interest Free Loan (to 1 church)	<u>2,660</u>	<u>2,660</u>

Loans are interest free and repayable within ten years. Included within loans is approximately £1,330 repayable after more than one year.

15 DEBTORS

	2023	2022
	£	£
Consolidated		
Amounts due from churches	11,508	20,306
Other debtors	42,534	33,397
Prepayments	3,370	-
	<u>57,412</u>	<u>53,703</u>
Charity		
Other debtors	21,924	18,589
Prepayments	3,370	-
	<u>25,294</u>	<u>18,589</u>

16 CURRENT ASSET INVESTMENTS

	2023	2022
	£	£
Consolidated		
Counties and Cambridge Bank 95 days' notice	61,020	159,669
	<u>61,020</u>	<u>159,669</u>

17 CREDITORS

	2023	2022
	£	£
Consolidated		
Amounts due to churches	1,901,303	1,763,048
Amounts due to trusts	259,977	319,502
Other creditors	37,704	44,578
	<u>2,198,984</u>	<u>2,127,128</u>
Charity		
Other creditors	<u>31,981</u>	<u>38,946</u>

18 CREDITORS: amounts falling due after more than one year

	2023	2022
	£	£
Consolidated		
Amounts due to churches	<u>423,665</u>	<u>458,676</u>

This represents amounts due to churches where the balance is over £100,000 and the notice period exceeds 365 days.

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023
(Continued)

19 UNRESTRICTED FUNDS	Income 2023	Expenditure 2023	Transfers 2023	Other Gains / (Losses)	Brought forward 1/1/2023	Carried forward 31/12/2023
	£	£	£	£	£	£
Consolidated						
General Fund	1,495,541	(415,998)	(47,630)	219,753	6,175,550	7,427,216
Churches Aid Fund	-	(22,230)	40,000	-	66,461	84,231
Training Fund	69,941	(30,900)	-	-	(37,019)	2,022
Walthamstow Manse	-	-	-	-	461,000	461,000
	<u>1,565,482</u>	<u>(469,128)</u>	<u>(7,630)</u>	<u>219,753</u>	<u>6,665,992</u>	<u>7,974,469</u>

Figures for previous year for comparison

	Income 2022	Expenditure 2022	Transfers 2022	Other Gains / (Losses)	Brought forward 1/1/2022	Carried forward 31/12/2022
	£	£	£	£	£	£
Consolidated						
General Fund	269,793	(329,708)	(4,569)	(417,441)	6,657,475	6,175,550
Churches Aid Fund	-	(32,855)	-	-	99,316	66,461
Training Fund	-	(39,838)	-	-	2,819	(37,019)
Walthamstow Manse	-	-	-	-	461,000	461,000
	<u>269,793</u>	<u>(402,401)</u>	<u>(4,569)</u>	<u>(417,441)</u>	<u>7,220,610</u>	<u>6,665,992</u>

UNRESTRICTED FUNDS	Income 2023	Expenditure 2023	Transfers 2023	Other Gains / (Losses)	Brought forward 1/1/2023	Carried forward 31/12/2023
	£	£	£	£	£	£
Charity						
General Fund	1,396,420	(332,838)	(47,630)	177,219	5,721,215	6,914,386
Churches Aid Fund	-	(22,230)	40,000	-	66,461	84,231
Training Fund	69,941	(30,900)	-	-	(37,019)	2,022
Walthamstow Manse	-	-	-	-	461,000	461,000
	<u>1,466,361</u>	<u>(385,968)</u>	<u>(7,630)</u>	<u>177,219</u>	<u>6,211,657</u>	<u>7,461,639</u>

Figures for previous year for comparison

	Income 2022	Expenditure 2022	Transfers 2022	Other Gains / (Losses)	Brought forward 1/1/2022	Carried forward 31/12/2022
	£	£	£	£	£	£
Charity						
General Fund	219,273	(280,919)	(4,569)	(369,555)	6,156,985	5,721,215
Churches Aid Fund	-	(32,855)	-	-	99,316	66,461
Training Fund	-	(39,838)	-	-	2,819	(37,019)
Walthamstow Manse	-	-	-	-	461,000	461,000
	<u>219,273</u>	<u>(353,612)</u>	<u>(4,569)</u>	<u>(369,555)</u>	<u>6,720,120</u>	<u>6,211,657</u>

Churches Aid Fund

This designated fund was established in 1979 to set aside funds at the discretion of the trustees for the purpose of making grants and loans to churches within the Association. This Fund was increased by a grant of £40,000 in 2023. A portion of the Fund has been set aside to provide cost of living hardship grants to individuals and churches in the current economic climate.

Training Fund

This designated fund was established in 2015 to set aside funds at the discretion of the trustees for the purpose of making grants to churches and trainees to support people in training for ministry. A grant of £60,000 topped up this fund in 2023 from Trust Funds managed by Grace Baptist Charities Limited. In addition, a grant of £9,941 was made out of the remaining Kew church working Funds in line with the church's request.

Walthamstow Manse

This designated fund was established in 2015 as a result of the closure of Church Hill Baptist Church, Walthamstow. Under the 1944 conveyance and declaration of trust, the Association stands possessed of the church manse. The building was registered at the Land Registry in 2022 and continues to be used by Grace Church Walthamstow, a new church plant in Walthamstow.

**ASSOCIATION OF GRACE BAPTIST CHURCHES
(SOUTH EAST)**

(20)

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023
(Continued)

20 RESTRICTED FUNDS	Income 2023	Expenditure 2023	Transfers 2023	Other Gains / (Losses)	Brought forward 1/1/2023	Carried forward 31/12/2023
	£	£	£	£	£	£
Consolidated						
Home Mission	37,642	(45,272)	7,630	-	-	-
Hayes Lane Fund	749	(20)	-	-	26,896	27,625
Downe Fund	3,529	(20)	-	-	126,747	130,256
Benevolent Fund	1,084	(10,901)	-	-	37,086	27,269
Loan Fund	402	-	-	-	17,100	17,502
Pastors' Retiring and Widows' Fund	1,676	(9,828)	-	2,446	57,771	52,065
Sinclair Fund	13,450	(919)	-	(13,394)	383,991	383,128
	<u>58,532</u>	<u>(66,960)</u>	<u>7,630</u>	<u>(10,948)</u>	<u>649,591</u>	<u>637,845</u>

Figures for previous year for comparison

	Income 2022	Expenditure 2022	Transfers 2022	Other Gains / (Losses)	Brought forward 1/1/2022	Carried forward 31/12/2022
	£	£	£	£	£	£
Consolidated						
Hawthorne Family	132	(33,575)	-	-	33,443	-
Home Mission	36,555	(41,124)	4,569	-	-	-
Hayes Lane Fund	337	(20)	-	-	26,579	26,896
Downe Fund	1,589	(20)	-	-	125,178	126,747
Brighton Fund	62,621	(66,323)	-	-	3,702	-
Benevolent Fund	750	(7,081)	-	-	43,417	37,086
Loan Fund	181	-	-	-	16,919	17,100
Pastors' Retiring and Widows' Fund	1,834	(9,655)	-	(8,102)	73,694	57,771
Sinclair Fund	12,899	(1,131)	-	10,414	361,809	383,991
	<u>116,898</u>	<u>(158,929)</u>	<u>4,569</u>	<u>2,312</u>	<u>684,741</u>	<u>649,591</u>

Charity	£	£	£	£	£	£
Home Mission	37,642	(45,272)	7,630	-	-	-
Benevolent Fund	1,084	(10,901)	-	-	37,086	27,269
Loan Fund	402	-	-	-	17,100	17,502
Pastors' Retiring and Widows' Fund	1,676	(9,828)	-	2,446	57,771	52,065
Sinclair Fund	13,450	(919)	-	(13,394)	383,991	383,128
	<u>54,254</u>	<u>(66,920)</u>	<u>7,630</u>	<u>(10,948)</u>	<u>495,948</u>	<u>479,964</u>

Figures for previous year for comparison

	Income 2022	Expenditure 2022	Transfers 2022	Other Gains / (Losses)	Brought forward 1/1/2022	Carried forward 31/12/2022
	£	£	£	£	£	£
Charity						
Hawthorne Family	132	(33,575)	-	-	33,443	-
Home Mission	36,555	(41,124)	4,569	-	-	-
Brighton Fund	62,621	(66,323)	-	-	3,702	-
Benevolent Fund	750	(7,081)	-	-	43,417	37,086
Loan Fund	181	-	-	-	16,919	17,100
Pastors' Retiring and Widows' Fund	1,834	(9,655)	-	(8,102)	73,694	57,771
Sinclair Fund	12,899	(1,131)	-	10,414	361,809	383,991
	<u>114,972</u>	<u>(158,889)</u>	<u>4,569</u>	<u>2,312</u>	<u>532,984</u>	<u>495,948</u>

Hawthorn Family Charitable Fund

This fund is governed by a Deed dated 16th February 1999. Grants are to be made to nominated benefiting churches. The fund was established by a donation, including tax benefit, of £70,000. This fund has now been extinguished.

Home Mission

This fund exists to promote evangelism in the Association churches through education, training, advice, full-time and short-term workers and projects. The majority of the funding is through donations from churches and grant income.

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023
(Continued)

20 RESTRICTED FUNDS - Continued

Hayes Lane and Downe Fund(s)

These Funds arose from legacies received to be applied for the benefit of specific churches at the discretion of the directors of Grace Baptist Charities Limited

Brighton Fund

This is a fund set up to promote evangelism through a new church plant based in Brighton. This fund was closed in the year and the money granted to the newly constituted church Grace Church Brighton.

Benevolent Fund

This fund has no governing instrument. Grants are made to Christians in needy circumstances.

Loan Fund

Declaration of Trust dated 27th October 1891 governed this fund. Interest free loans were made to churches for purchase, extension and maintenance of chapels, manses and other church premises. At the end of 2019, the Loan Fund was closed to new applicants as bureaucratic complications made it difficult to continue to make interest free loans. It was decided that the money would be made available to the churches by way of grants rather than loans in the future and therefore the remaining free funds were transferred to the Churches Aid Fund.

Pastors' Retiring and Widows' Fund

Declaration of Trust dated 2nd November 1900 governs this fund. Grants are made to retired pastors, and their widows, who have previously contributed to the fund and are without adequate means of support. The fund is closed to new members.

Sinclair Fund

This fund was established by a will dated 11 September 2001. The church at Gadebridge, Hemel Hempstead, has first call on any fund arising from the legacy

	2023	2023	2023	2023	2023
	<i>Investments</i>	<i>Tangible assets</i>	<i>Net current assets</i>	<i>Long Term Liabilities</i>	<i>Total</i>
21 ANALYSIS OF NET ASSETS					
Consolidated					
<i>Current year</i>	£	£	£	£	£
Unrestricted Funds	5,328,326	3,330,439	(260,631)	(423,665)	7,974,469
Restricted Funds	408,016	-	229,829	-	637,845
	<u>5,736,342</u>	<u>3,330,439</u>	<u>(30,802)</u>	<u>(423,665)</u>	<u>8,612,314</u>
<i>Figures for previous year for comparison</i>					
Consolidated					
<i>Current year</i>	£	£	£	£	£
Unrestricted Funds	3,653,340	3,909,164	(437,836)	(458,676)	6,665,992
Restricted Funds	401,891	-	247,700	-	649,591
	<u>4,055,231</u>	<u>3,909,164</u>	<u>(190,136)</u>	<u>(458,676)</u>	<u>7,315,583</u>
ANALYSIS OF NET ASSETS					
Charity					
<i>Current year</i>	£	£	£	£	£
Unrestricted Funds	3,869,331	3,330,439	261,869	-	7,461,639
Restricted Funds	408,016	-	71,948	-	479,964
	<u>4,277,347</u>	<u>3,330,439</u>	<u>333,817</u>	<u>-</u>	<u>7,941,603</u>
<i>Figures for previous year for comparison</i>					
Charity					
<i>Current year</i>	£	£	£	£	£
Unrestricted Funds	2,231,021	3,909,164	71,472	-	6,211,657
Restricted Funds	401,891	-	94,057	-	495,948
	<u>2,632,912</u>	<u>3,909,164</u>	<u>165,529</u>	<u>-</u>	<u>6,707,605</u>

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023
(Continued)

22 COMMITMENTS

The Association has commitments to make payments, in respect of land and buildings and office equipment, in the following years as follows:

	2023	2022
	£	£
Within 1 Year	1,836	1,836
Between 2 and 5 years	460	2,296
	<u>2,296</u>	<u>4,132</u>

23 TRUSTEES' REMUNERATION

No remuneration or benefits were paid to any of the trustees during the year for their services as trustees. Also, there were no trustees' costs paid direct to third parties.

24 TRUSTEES' EXPENSES

	2023	2022
	£	£
Expenses incurred by trustees and reimbursed, amounted to:	1,210	260
6 trustees made a total of 24 expenses claims for the cost of travel to meetings and other events.		

25 RELATED PARTIES

The following trustees are also directors of Grace Baptist Charities Limited and, as such, have an interest in transactions carried out on behalf of trusts and churches administered by the company and the charity: AA Otley, A Creedy, P Fuggle, B Jones (Appointed Nov 2023), D J Mortimer, Miss M O' Mara, P Smith, J Southcombe (Treasurer) and P M Woodley. The Transactions involve grants and management charges paid by the trusts and churches administered by the Company.

Trust funds relating to the following trusts were administered by the terms of their Trust Deeds: Avonmore Avenue; Brighton Trust; Buckland Common Baptist Chapel Trust; Dudley Baptist Church Trust; "Ebenezer" Baptist Chapel, Ilford Trust; Eva Rance Charity; Feltham 'Zoar Chapel Trust'; Feltham 'Avonwick' Trust; Gaddesden Row Chapel Trust; Grace Charities Trust; Little Wild Street Trust Chapel (Strict Baptist) Fund; Mayford Chapel Trust; Potten End Chapel Fund; Providence Chapel, Kingston Trust; Richmond Homes Trust; "Salem" Baptist Chapel, Richmond Charity; Wilstone Chapel.

During the year, an interest bearing loan facility of up to £200,000 was granted to Hope Community Church of which the trustee, AA Otley is also a trustee. £91,500 of the facility had been drawn down at year end. In addition, an interest bearing loan of £25,001 was advanced to Newtown Baptist Church, Chesham of which the trustee D Mortimer is also a trustee. The balance at year end was £9,517.

The following related party transactions occurred in the year:

- A training grant of £6,200 was paid to Adrian Creedy's son in law, Joseph Percy, to enable him to train for the ministry.
- During the year, Caleb Gardner was employed by the Association to assist with archiving. He received £78. Caleb is the son of Abigail Gardner, Finance Officer.
- Lena King catered for the various events hosted by the Association in the year. She received £638. Lena is the wife of Andrew King, Association Secretary.

26 ASSETS HELD ON BEHALF OF THIRD PARTIES

The company acts as a trust corporation being custodian trustee for various churches and trusts. Records are kept which identify the

It has been appointed trustee, in some cases by the Charity Commissioners, of various charities listed in note 25 which have been established to advance the work of the AGBC(SE) in specific geographical areas. The assets held in this capacity at 31 December 2023 were:

	£
Investments under management	5,938,228
Investment properties	1,771,688
Property used for charitable purposes	2,118,109
Other net assets	6,622
Loans	-
	<u>9,834,647</u>

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2023
(Continued)

26 ASSETS HELD ON BEHALF OF THIRD PARTIES - Continued

The company also acts as custodian trustee of certain assets for various churches which have their own local managing trustees. The cost/valuation of assets held in this capacity (excluding the value of any church premises and manses for which no reliable cost information is available) at 31st December 2023 was:

	£
Investments under management	445,125
Investment property	624,999
Properties used for charitable purposes	1,444,773
Other net assets	425,840
Loans	(297,212)
	<u>2,643,525</u>

27 SUBSIDIARY

The subsidiary is Grace Baptist Charities Limited, company number 00096055, charity registration number 1172489 with a registered office of 62 Bride Street, London, N7 8AZ.

It is a subsidiary of the charity as the Association of Grace Baptist Churches (South East) has the power to appoint the directors of Grace Baptist Charities Limited and also receives benefit from Grace Baptist Charities Limited.

In previous years the combined income of the charity and its subsidiary was below the level of income where consolidated accounts were required.

Grace Baptist Charities Limited acts as Holding trustee for the Association of Grace Baptist Churches (South East) and its members and other like minded churches.

The financial information of the subsidiary for the year is:

	£
Assets	3,598,795
Liabilities	(2,928,084)
Net funds	<u>670,711</u>

	£
Income	170,124
Expenditure	(149,925)
Net gains on investments	42,534
Net income	<u>62,733</u>