

Grace Communion International

England & Wales · Charity number 311098

Details

Other names	WORLDWIDE CHURCH OF GOD, Ambassador College, GCI, WCG, Worldwide Church of God
Status	Registered
Legal form	Charitable company
Company number	00654913
Registered	1963-07-23
Register	View on the Charity Commission register

Contact

Address	9 the Point Rockingham Road Market Harborough LE16 7QU
Phone	01858437099
Email	info@gracecom.church
Website	www.gracecom.church

Activities

Objects: 4.1. The Objects of the Charity are to advance the Christian Faith in accordance with the Statement of Beliefs, for the public benefit, and in particular (but without limitation); 4.1.1. to proclaim the Christian Faith across the UK and around the world for a witness to all nations by the spoken word, radio, television, recording, in print, by electronic media, by any and all legally acceptable means and personal evangelism; 4.1.2. to work for the salvation of souls and to raise up and organise local church congregations; 4.1.3. to minister to edify believers and to assemble people together in worship of Almighty God for mutual edification and Christian fellowship in Jesus Christ; 4.1.4. to ordain and grant credentials or licence to preach to such as the Charity believe to be called of God and qualified according to Holy Scripture as evangelists, ministers, elders or deacons; 4.1.5. to promote and provide for the advancement of education in the liberal arts and theology and to conduct, carry on and acquire in the UK colleges and seminaries for the education of people in these subjects and for the service and ministry of God and to offer appropriate courses of instructions; and 4.1.6. to carry out such other charitable purposes as shall, in the opinion of the Trustees, put into practice the Christian faith in accordance with the Statement of Beliefs, including but not limited to the prevention and relief of need, hardship and sickness, and the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life. 4.2. Nothing in these Articles shall authorise an application of the property of the Charity for purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and/or section 2 of the Charities Act (Northern Ireland) 2008. 4.3 This Article 4 may be amended by Special Resolution, but only with the prior written consent of the Charity Commission. 4.4 The Statement of Beliefs may be amended or supplemented by a resolution of the Trustees passed by a majority of at least 75% of them, provided that any such amendments or supplemental statements shall be consistent with the Statement of Beliefs as at the date of adoption of these Articles.

Activities: To spread the Good News of Jesus Christ - this is done by holding services open to the public throughout the UK and Ireland, putting on conferences, providing resources online such as a daily devotional and the running of a two week youth summer camp with a variety of outdoor activities.

Classification

- **How:** Makes Grants To Individuals, Provides Services, Other Charitable Activities
- **What:** General Charitable Purposes, Religious Activities
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM AND BRITISH COMMONWEALTH
- Ireland
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£454,165	£658,585	-	-
2023-12-31	£616,392	£871,157	£2,064,937	6
2022-12-31	£587,296	£854,407	£2,370,527	5
2021-12-31	£632,604	£744,640	£2,764,923	13
2020-12-31	£635,169	£412,587	£2,687,802	14

Trustees

Name	Role	Appointed
James Lambu	Chair	2019-01-22
Hilary Buck		2021-06-17
James Joseph Casey		2025-10-16
James Mc Ivor		2021-11-02
Maureen Unita Watson		2020-03-13
Raymond John Walker		2021-11-02
Simon Peter Williams		2017-07-24

Grace Communion International

England & Wales - Charity number 311098

Accounts

Registered number: 00654913 (England and Wales)
Charity number: 311098 (England and Wales)
SC040008 (Scotland)

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Trustees

James Lambu	(Chair)
Ray Walker	(Vice-Chair)
Gordon Brown	(Retired 17 August 2024)
Simon Williams	
Maureen Watson	
Hilary Buck	
James McIvor	

National Ministry Leader

Gavin Henderson

Registered Charity Name:

Grace Communion International

Names Also Known By

Worldwide Church of God
Summer Educational Programme (Summer camp only)

Registered Office and Operational Address

9 The Point
Rockingham Road
Market Harborough
Leicestershire
LE16 7QU

Company Registered Number

00654913 (England & Wales)

Charity Registered Number

311098 (England & Wales)
SC040008 (Scotland)

Independent Auditor

MHA
11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2024 (continued)**

Bankers

Barclays Bank Plc
20 High St
Market Harborough
LE16 7NR

Solicitors

Edward Connor Solicitors
10 The Point,
Market Harborough,
Leicestershire
LE16 7QU

GRACE COMMUNION INTERNATIONAL
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TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees (who are also the Directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Grace Communion International (“GCI UK”, “we”, the charitable company, the Church, the Charity) for the year ended 31 December 2024. The Trustees confirm that the annual report and financial statements of the charitable company comply with current statutory requirements, the requirements of the charitable company’s governing document, the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), and the Companies Act 2006.

The Charity qualifies as small under S383 of the Companies Act 2006. A Strategic Report under the Companies Act 2006 (Strategic Report and Directors’ Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Vision and Mission Statement

The mission of the Charity is to proclaim the good news of Jesus Christ whenever and wherever it can. We take care of those whom God calls into our part of the body of his Church by inspiring and training them to serve and love others, reflecting the way in which Jesus Christ loves humanity. Thus, we seek to create a positive and accountable spiritual environment in which the Church lives and shares the Gospel of Jesus Christ in the UK, in the Republic of Ireland, and beyond.

To help us achieve this vision of ‘Healthy Church’ and to fulfil our mission statement of ‘Living and Sharing the Gospel’, the Church has the following four avenues of focus:

Pastor Avenue

“I always pray with joy because of your partnership in the gospel from the first day until now” (Philippians 1:4-5 NIVUK)

“Then Peter stood up with the Eleven, raised his voice and addressed the crowd” (Acts 2:14 NIVUK)



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**TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

GCI UK believes that it is essential that Church leadership is team-based. To achieve this, leaders in GCI UK (both on a national and local level) are encouraged to practise the 4 E's: Engage, Equip, Empower and Encourage.

This means that our leaders seek to *engage* with the membership of the Church as they look to recognise and recruit new volunteers and potential leaders. These volunteers are then *equipped* by the leadership by investing time and/or resources in them so that they can develop in their role and in turn multiply their skills within the congregation. Where leadership qualities are identified, potential leaders can then be *empowered* by creating space for them to actively serve in leadership and commissioning them for the role. Finally, these volunteers are *encouraged* by the leadership on an ongoing basis, thus affirming their suitability for the role and recognising their contribution to the Church.

Hope Avenue

"When they saw him, they worshipped him"
(Matthew 28:17 NIVUK)

"Every day they continued to meet together in the temple courts... praising God and enjoying the favour of all the people." (Acts 2:46-47 NIVUK)

Worship services are a key part of GCI UK's activities, and our aim is that all our worship services are centred on Jesus Christ and that they are inspiring, bringing hope to all those who attend. This involves intentional preparation for our weekly services and a focus on being an inclusive gathering that welcomes people of all ages, ethnicities, and backgrounds.



Faith Avenue

"And teaching them to obey everything I have commanded you." (Matthew 28:20 NIVUK)

"They devoted themselves to the apostles' teaching and to fellowship, to the breaking of bread and to prayer... They broke bread in their homes and ate together with glad and sincere hearts" (Acts 2:42, 46 NIVUK)

Discipleship is a key part of GCI UK's activities. The Church is committed to providing opportunities for people to strengthen their faith and to follow in the footsteps of Jesus Christ. This is done through Church events (both on a national and congregational level) that provide a chance for people to deepen their relationship with God and with one another as well as by providing midweek events such as Bible studies and prayer meetings.



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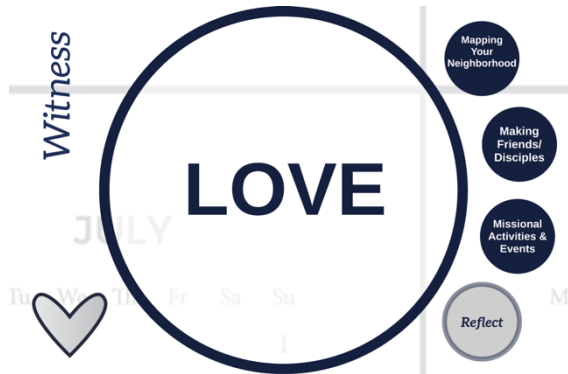
**TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Love Avenue

“Therefore go and make disciples of all nations, baptising them in the name of the Father and of the Son and of the Holy Spirit” (Matthew 28:19 NIVUK)

“And the Lord added to their number daily those who were being saved.” (Acts 2:47 NIVUK)

GCI UK believes that a “healthy Church” is one that is showing the love of Jesus Christ to the world. This means that one of the key objectives of the Church is engaging both the general public and the local community near where congregations meet and proclaiming to them the Gospel of Jesus Christ through both our words and our actions.



Main Activities

As a Church our primary activity is to hold regular Church services. These services are open to everyone, including the public, who are welcome to join in and participate with us in worship and to hear a message proclaiming Jesus Christ and his Kingdom, though we reserve the right to refuse entry where and when necessary. We have 11 congregations or fellowship groups that meet weekly and a further 10 that meet on a less frequent basis throughout the UK and Ireland. Our services in these congregations provide a safe environment for people to celebrate the Church’s beliefs.

Experienced local pastoral workers provide support for people through biblical counselling, and, in the case of ordained ministry, through performing ministerial duties such as weddings, funerals, and offering general assistance where possible or where needs have been expressed. Ministers and approved pastoral workers are often asked to give biblical counsel and comfort to the sick and terminally ill, and to bereaved relatives and friends. Often such services are provided to people with little or no prior connection to the Church and are provided free of charge.

We communicate regularly to our members and Church contacts using various different types of communication media. A member letter was sent out by post 9 times in 2024. In addition, an in-house produced magazine called *Belong* was sent out in addition to the member letter in some months. The *Belong* magazine helps to encourage our existing members by developing their faith through topical articles and providing updates about our current projects and activities. There is no charge for the magazine or the member letter that members receive, which has a circulation of over 600. The magazine is also available on our website.

We also produced a daily Bible study series in 2024, called *Word of Life* which is published on our website www.gracecom.church. The studies are freely available, and we also offer an email subscription allowing members and contacts to receive the study each day in their inbox. The project has a significant proportion of international readers.

Several of our congregations now also offer online access to services using both Zoom and Facebook Live. Additionally, we offer weekly sermons nationally via our YouTube channel: <https://www.youtube.com/c/GCIUKandIreland>, as well as offering live-streamed Bible studies every fortnight. All our online activities, both at a national and congregational level, can also be accessed via our website www.gracecom.church.

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**TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Church also hosts conferences, holds celebration events and organises summer camps for children and teenagers. In 2024, celebration events were held in Larbert, Tullamore, Portarlinton, High Leigh, Bridlington and Paignton, and a denominational conference was held in Northamptonshire. In addition, a 7-day summer camp for teenagers, called SEP, was held in Northamptonshire and a three-day activity camp for younger children, called Adventure Camp, was held in Kettering.

GCI UK is a member organisation of the Evangelical Alliance and many of its congregations are members of the Churches Together network in their respective areas. GCI UK is keen on working with other Churches and organisations to further its mission of Living and Sharing the Gospel of Jesus Christ.

Volunteers

We are greatly indebted to all our volunteers for their dedication, time, and skills: in particular, to the over 100 voluntary pastoral workers, without whom the Church and Charity would not be able to provide its services.

We are also very grateful for those who helped write, promote, and produce our magazine *Belong*, and also for those involved in our daily Bible study series *Word of Life*.

Finally, we are very appreciative of those who work with our Youth, both at SEP and at Adventure Camp as well as in our local Churches.

Public Benefit

GCI UK, as outlined above, carries out numerous activities to achieve its aims and objectives. The Trustees consider that these activities provide a public benefit both in terms of the redemptive work of the Church as well as the social outreach the Church engages in on regional, national, and international levels. They have considered the guidance issued by both the Charity Commission and the Office of the Scottish Charity Regulator on Public Benefit in this regard. In particular the Trustees would like to emphasise the Church's desire to be inclusive, where we strive to make the services and events that we run open to all and endeavour not to present a financial barrier to attendance and participation. Our online services have been particularly helpful in helping our services be more inclusive of those who are unable to attend due to ill health, not being near one of our congregations, or other reasons.

Examples of the social outreach the Church has engaged in during 2024 include putting on a Christmas Day dinner in Market Harborough for people who do not have anywhere else to go (as well as other regular events like this throughout the year), and running a soup kitchen in Llanelli and visiting care homes in West Hampstead. On top of this, many of our congregations also donate food to their local food banks and we directly support a food bank in Stewarton.

GCI also runs a summer camp for children aged 7-13 and another camp for teenagers aged 11-17. These camps are heavily sponsored by the Church, allowing people from all financial backgrounds to attend and are open to all children and teenagers (you do not need to be a Christian or attend our congregations to attend).

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**TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

ACHIEVEMENTS AND PERFORMANCE

Achievements and Performance Summary

The Church has continued to provide national services via YouTube and Zoom as well as some online services on a congregational level too.

Fortnightly Bible studies took place via YouTube which included a series on mental health and the Church.

The Church also sponsored several of our volunteers and employees in the area of theological education with Grace Communion Seminary, our accredited denominational seminary in the USA (www.gcs.edu) and Ambassador College of Christian Ministry, our denominational seminary in Australia (www.ambascol.org).

In 2024, we were able to hold our summer camp for teenagers, called SEP (12th August – 18th August 2024). The camp was held in a new site called the Frontier Centre in Northamptonshire. The new site is easier to reach for many of our campers and staff and is run by Rock UK, a Christian Charity. We were pleased to be able to welcome 50 campers. The camp featured a number of activities including daily worship, Christian living, leatherworking, a ceilidh, canoeing, raft building and zipwire.

We were also pleased to be able to go ahead with our summer camp for children aged 7-13, called Adventure Camp (23rd -26th August 2024). Adventure camp welcomed 50 campers (up from 40 campers the year before) in 2024 to the Sir John Lowther Scouting centre in Kettering for the August Bank holiday weekend. The camp ran a number of activities such as daily worship, go-karting, tunnelling, archery, firecraft and tie-dying.

Celebration events were held in High Leigh (26th-28th April 2024), Larbert (10th-12th May 2024), Tullamore (16th June 2024), Portarlinton (13th-16th September 2024), Bridlington (19th-22nd September 2024) and Paignton (30th September -7th October 2024) and each celebration had a different theme based on a Scripture. These events featured both traditional worship services as well as seminars and fellowship events. The combined attendance over all events was over 150. Additionally, in November 2024, we held a conference for our ministry leaders in Northamptonshire.

The Church also continued to run its Life Club project which teaches public speaking skills to all age groups. Geoff Sole, who runs the project, continues to advise GCI congregations around the world with respect to running Life Clubs and has facilitated getting the Life Club manual translated into a number of languages. In 2024 regular International Life Clubs took place on Zoom and featured speakers from Africa, Asia, Europe and North America.

At the beginning of 2023 the Church requested that all of our congregations move to Sunday as their main day of worship. This change has been implemented in all congregations by the end of December 2024. This change was to help bring our congregations into alignment with the denomination internationally. The change will also remove a potential obstacle to new people attending our congregations. While this change was necessary for the long term future of the Church, it has negatively affected the Church's finances and church attendance in the short term.

Throughout 2024 we also held a series of community-based events in Market Harborough, where our office is based, to help support our Church plant there. These events included: a quiz, an afternoon tea, a barbeque, as well as a Christmas Day meal for those who are not able to spend Christmas with family or friends.

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**TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Administration & Management

Mrs A Luckhoo stepped down from employment as Office Administrator in March 2024. We are very grateful her work over the years, particularly during Covid, and we wish her well in her new employment.

The Board reviewed, updated and implemented a number of policies in 2024. These include:

- An updated Safeguarding policy (July 2024)
- A new Anti-money laundering, terrorism and bribery policy (August 2024)
- An updated paying staff policy (August 2024)
- An updated reserves policy (August 2024)
- A new Risk Management policy (August 2024)
- An updated expenses policy (November 2024)
- An updated Harassment and Bullying policy (November 2024)

Employment Tribunal

In May 2024, the Church received the judgement of an Employment Tribunal relating to claims brought by an ex-employee. At the Claimant's request, the Judge reconsidered the judgement with an amended judgement being issued in December 2024. Whilst the vast majority of the claims brought were not upheld, several were. Whilst any finding that the Church fell short is regrettable, we take some comfort in that the three claims upheld were not of the most serious nature. A serious incident report was filed with the Charity Commission in 2023 about the employment tribunal and kept up to date. Whilst the Church's solicitors advised that there were grounds to appeal these findings, the Board of Trustees decided it was in the best interests of the Charity to draw a line, learn the lessons that can be learnt, and dedicate the Church's time and effort to ministry.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Grace Communion International was incorporated as a company limited by guarantee in 1960 and registered as a Charity in 1963. The Charity is governed by Articles of Association that were last updated on the 20th August 2022.

Method of Appointment or election of Trustees and Training

As set out in the Articles of Association there are a minimum of five Trustees and a maximum of eleven. As of 31 December 2024 there were six Trustees. Trustees are elected in accordance with the Articles of Association for a term of three years and may serve, if so elected, for three terms, before normally being required to step down for at least one year. Trustees are required to abide by the Code of Ethics for Elders and the Grace Communion International Statement of Beliefs as published by Grace Communion International USA (GCI HQ) based in Charlotte, USA. The Board of Trustees considers Diversity, Equality and Inclusion when selecting Trustees and aims to have a Board that not only has a good mix of skills and experience but also reflects the diversity of our members and the people we are serving as a Charity in the United Kingdom and Ireland.

All new Trustees are given copies of the Memorandum and Articles of Association. Induction is provided in the form of copies of previous minutes and copies of the latest Governance & Leadership magazine and Charity Commission News. Each new Trustee is also provided with a copy of the guidance advice for new Trustees issued by the Charity Commission and Office of the Scottish Charity Regulator.

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**TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Trustees are also kept up to date with the availability of courses/seminars on Trustees' responsibilities (funded by the Charity).

Trustee Benefits

GCI UK does not give remuneration to Trustees for their role as Trustee. It does, however, help cover the costs of their travel and the training required or recommended for their duties as Trustees.

As permitted by the Articles of Association, each Trustee has the benefit of an indemnity, which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006.

Trustee Changes in 2024

In August 2024, Gordon Brown stepped down as a Trustee having reached the end of his third and final term of office. The Church is very appreciative of the wisdom and insight that Gordon contributed to the Board of Trustees during his term of service.

Organisational Structure and Decision Making

GCI UK is governed by a Board of Trustees, which meets at least four times a year to:

- agree the policies of the Charity;
- determine strategic direction and objectives;
- ratify major decisions on and monitor the use of finances; and
- review management reports.

Board Committees

Sub-committees, if necessary, are appointed on an ad hoc basis and disbanded when they have completed the task for which they are formed. In 2024 there were two sub-committees: one to appraise the National Ministry Leader's performance and another to determine the National Ministry Leader's remuneration.

International Connections

GCI UK operates as an organisation associated with GCI HQ. Although capable of independent operation, GCI UK has willingly subordinated itself in doctrinal matters to the GCI HQ insofar as it does not bring our Church and Charity into conflict with UK laws.

Additionally, we have a working relationship with various Grace Communion International organisations overseas. Gavin Henderson, the National Ministry Leader (NML) also serves as GCI HQ's Superintendent for Europe. This is a non-salaried position, though the Board of Trustees has agreed to help support some of the travel expenses associated with the role and to donate some of Gavin Henderson's employed time as NML to the role. The Board has agreed to regularly review this arrangement to ensure it is in the best interest of the Charity.

As part of this role the NML travelled to Switzerland in September and France in October where he held seminars and meetings with the leaders of the GCI congregations in those countries.

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**TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Operational Management

The general management and strategic planning was delegated to the NML within the guidelines of the Board's Mission Statement and within the vision of the denomination. The NML reported regularly to the Board and to GCI HQ and was supported by his staff with whom he consulted regularly.

Management Remuneration

The NML's salary was determined by the Board based on a recommendation of a sub-committee consisting of Ray Walker, Simon Williams and Hilary Buck. The salaries of staff, set by the NML, were seen and approved by the Board of Trustees at the November 2023 Board meeting where the budget for 2024 was approved. GCI UK seeks to ensure that its staff are paid appropriately but not excessively.

FINANCIAL REVIEW

GCI UK remains in good financial health as it has significant reserves, but its income in 2024 was significantly below expenditure. Due to the liturgical changes in the Church, the Church had budgeted for a drop in income compared to 2023, though the actual drop in income was greater than expected.

The Church had planned to finance some of the expenditure in 2024 from reserves to help manage the liturgical changes. While expenditure was above budget, there were a number of areas where the Church made savings compared to its planned budget (e.g. in staff costs).

Fiscal Responsibility

The Board of Trustees normally requires that the executive of GCI UK operate a balanced budget, based on the anticipated Income and Expenditure for the year. Since 2021 the Board has agreed that, given the Church's reserves, the Church could operate the next couple of years with expenditure in excess of income (within limits). This would allow the Church to invest in its future at a key moment for the Charity. The Board of Trustees regularly reviews the finances of the Charity and is keen for the Church to return to a balanced budget in future years.

The Board had determined that should income be in excess of expenditure (e.g. in the case of receipt of exceptional donations or legacies), these funds can be assigned to projects suggested by the NML to the Board of Trustees. Until then any funds in excess of budget should be invested to provide additional revenue for the Church in the future. Due to their uncertain nature, the Church does not budget for legacy income.

Reserves Policy

The Board of Trustees has established that the level of reserves in cash or cash equivalent should be at least six months' operating expenses (for 2024 this was determined to be £232,500). This figure is calculated from our annual budget for the year of £465,000 for operational expenses. Our actual budget for 2024 was higher as it includes expenses relating to our summer camps (£55,000 and £2,500), our denominational conference (£20,000) and our annual celebrations/festivals (£7,500), which could be cancelled if necessary. Following Charity Commission guidance any pension scheme surplus is not reflected in the level of reserves, as they do not represent an immediately realisable asset. The Charity's reserves held in 2024 were significantly above the six months' operating expenses.

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TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

At 31 December 2024 the total funds comprised:

Restricted	£12,965
Unrestricted: other	<u>£2,061,243</u>
Total	<u>£2,074,208</u>

Investment Powers and Policy

GCI UK's constitution allows the Board of Trustees to invest money not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

The Board of Trustees, having regard to the liquidity requirements of operating GCI UK and the reserves policy set out above, kept funds in 2024 in Newton's 'Growth and Investment fund for charities', CCLA Charities Ethical Investment fund, Epworth Cash Plus fund and Epworth Multi-Asset fund as well as in Clerical Medical and Canada Life investment vehicles which had been received as part of a legacy in a prior year.

The Church's investments help ensure the long-term viability of the Church in the light of the current financial pressures facing the Charity as well as providing options for strategic capital investments in the future (e.g. purchasing or building a new Church hall).

Fundraising

Most of the income for the Church comes from donations as opposed to fundraising. While the Church encourages members to support the Church financially, the Church stresses that members should only give as they are able. In 2024, a regular member letter was sent out in a mailshot. Each mailshot contained a donation envelope in case recipients wanted to help support the Church financially. In addition, offerings were taken up at our Celebration events and in some of our congregations during the year.

The Church complies with the law as it applies to charities and fundraising and in 2024 did not use third party or professional fundraisers and received no complaints in relation to fundraising. Due to the very limited nature of the Church's active fundraising, the Church has not signed up to the code of fundraising practice — however, the Board keeps this position under review and is keen that the Church follows best fundraising practices. No specific fundraising activities are currently planned for 2025.

Indigenous Income

The income of GCI UK is predominantly derived from donations from its congregational members in Great Britain and Eire with occasional contributions from non-members. As in previous years, full advantage has been taken of Gift Aid tax relief on eligible donations. Additionally, a small proportion of the Charity's income comes from income arising from investment returns.

Pension Scheme

The Church operates a defined benefit pension scheme called the Pension and Life Assurance Plan of the Worldwide Church of God (Worldwide Church of God is the former name of Grace Communion International). The scheme has been closed to new members since 2002. The last active member of the scheme retired in 2015 leaving only deferred members as non-insured liabilities. While the pension scheme was in deficit at the last actuarial valuation, the scheme completed its recovery plan in 2023 and no contributions were made in 2024.

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**TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Risk management and internal controls

The Trustees ensure that major risks to which GCI UK is exposed are reviewed and assessed and that systems are in place to mitigate those risks. The Trustees have agreed a risk management policy for which they have overall responsibility. Operational responsibility was delegated by the Trustees to the National Ministry Leader and his staff. A risk register identifies risks and assigns specific actions and responsibilities for mitigating the risks. The risk management process is on-going. The Trustees consider that a major risk is one that has a high likelihood of occurring and would, if it occurred, have a severe impact on operational performance. The National Ministry Leader reported regularly to the Board of Trustees on major risks and how they are being managed.

The Trustees expect all staff and volunteers when engaging in any activity on behalf of GCI UK to consider the risks posed and to act in accordance with the risk management policy and procedure. All increases to on-going or new activities are risk assessed prior to being introduced or undertaken.

The Trustees want to be risk alert but do not wish to be averse to taking reasonable risks as part of the Board's strategy to achieve the objectives of GCI UK. All key policies within the organisation are reviewed at regular intervals and updated as appropriate to reflect legislative changes and the latest developments in this area.

The Board has identified three major risks to the Church. The first is the age of its membership. The increasing age of our volunteers means that some of our congregations are having to meet less frequently, and the increasing age of our members also has an impact on our finances as our regular donors retire etc. Another major risk to the Church is the Church's pension scheme. The pension scheme was closed to new members in 2002, no longer has active members (only pensioners and deferred pensioners)— however, due to the size of the pension fund compared to our annual income, this remains a significant concern. Finally, the last risk facing the Church is the loss of members due to disagreements on the Church's current doctrinal position (and resultant changes to liturgical practice) that are a legacy of the Church's past teachings. The Church is committed to handling these divisions in a loving and caring way to try to mitigate this risk.

Third party indemnity insurance

The Church pays third party liability insurance in respect of the Trustees and senior management.

PLANS FOR THE FUTURE

The Church plans to continue to develop the four avenues of "healthy Church" as outlined in the objectives section of this report. This will be accomplished by training a cohort for each avenue that meets regularly throughout the year for training and to help share thoughts and ideas that can be implemented within their congregation.

Our transition to Sunday as our main day of worship was completed at the end of 2024 and our employees are focused on providing support during this period for the congregations affected by these changes.

Both SEP and Adventure Camp will once again take place in 2025 in the same locations as 2024.

As in 2024, the Church is planning to hold Celebrations in Larbert, Portarlinton, Tullamore, High Leigh, Bridlington and Paignton.

From an administrative perspective, the Board of Trustees will continue with its review of the Church's policies and plans to implement new volunteer guidance, a complaints handling policy and a new conflict of interest policy.

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Charity does not hold any such funds on behalf of any other organisations.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also the Directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved confirm that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charitable Company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

Auditor

The auditor, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP.

MHA will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

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



.....
James Lambu

Chair of the Board of Trustees

Date: September 9, 2025

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL

Opinion

We have audited the financial statements of Grace Communion International (the 'Charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 Charitable Company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006, the Charities and Trustee investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustee's 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 Charitable Company's ability to continue as a going concern for a period of at least twelve 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.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustee's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate 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 Trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustee's Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Trustee's Responsibilities Statement set out on page 13, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) 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 the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(CONTINUED)

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44 (1) (C) of the Charities and Trustees Investment (Scotland) Act 2005 and the Companies Act 2006, and report in accordance with regulations made within those Acts.

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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indications of fraud;
- reviewing minutes of meetings of those charged with governance;
- reviewing Financial Statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(CONTINUED)

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Charity's Trustees as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Charitable Company's Trustees those matters we are required to state to them in an Auditors' 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 Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Elizabeth Newell

Elizabeth Newell BA (Hons) FCA (Senior Statutory Auditor)

for and on behalf of

MHA (Statutory Auditors)

Milton Keynes, United Kingdom

Date: September 10, 2025

MHA is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	-	397,756	397,756	488,334
Investments	4	388	56,021	56,409	64,029
Total income		388	453,777	454,165	552,363
Expenditure on:					
Charitable activities (including pension derecognition £97,000 (2023: £78,000)).	5	-	658,585	658,585	872,157
Total expenditure		-	658,585	658,585	872,157
Net gains on investments	12	-	147,691	147,691	159,204
Net income/(expenditure)		388	(57,117)	(56,729)	(160,590)
Transfers between funds	15	38	(38)	-	-
Net movement in funds before other recognised losses		426	(57,155)	(56,729)	(160,590)
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	20	-	66,000	66,000	(145,000)
Net movement in funds		426	8,845	9,271	(305,590)
Reconciliation of funds:					
Total funds brought forward		12,539	2,052,398	2,064,937	2,370,527
Net movement in funds		426	8,845	9,271	(305,590)
Total funds carried forward		12,965	2,061,243	2,074,208	2,064,937

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 43 form part of these financial statements.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00654913

BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	140,113	154,719
Investments	12	1,900,309	1,822,618
		<u>2,040,422</u>	<u>1,977,337</u>
Current assets			
Debtors	13	62,195	87,857
Cash at bank and in hand	18	71,779	99,979
		<u>133,974</u>	<u>187,836</u>
Current liabilities			
Creditors: amounts falling due within one year	14	(100,188)	(100,236)
		<u>33,786</u>	<u>87,600</u>
Net current assets		<u>33,786</u>	<u>87,600</u>
Total net assets		<u><u>2,074,208</u></u>	<u><u>2,064,937</u></u>
Charity funds			
Restricted funds	15	12,965	12,539
Unrestricted funds	15	2,061,243	2,052,398
Total funds		<u><u>2,074,208</u></u>	<u><u>2,064,937</u></u>

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00654913

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
James Lambu
Chair of the Board of Trustees

Date: September 9, 2025

The notes on pages 23 to 43 form part of these financial statements.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(121,539)	(510,360)
Cash flows from investing activities		
Dividends, interests and rents from investments	25,409	30,029
Purchase of tangible fixed assets	(2,019)	(6,687)
Proceeds from sale of investments	70,000	23,147
Purchase of investments	(51)	(24,332)
Net cash provided by investing activities	93,339	22,157
Cash flows from financing activities		
Change in cash and cash equivalents in the year	(28,200)	(488,203)
Cash and cash equivalents at the beginning of the year	99,979	588,182
Cash and cash equivalents at the end of the year	71,779	99,979

The notes on pages 23 to 43 form part of these financial statements

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies

1.1 Basis of preparation of financial statements

Grace Communion International is an incorporated Charity registered with the Charity Commission for England and Wales registration number 311098, and with OSCR in Scotland registration number SC040008. The Company is registered in the UK, registration number 00654913.

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Grace Communion International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Charity's functional and presentational currency is British Pound Sterling (£) and is rounded to the nearest pound (£).

The following principal accounting policies have been applied.

1.2 Company status

The Charity is a company limited by guarantee. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £7 per member of the Charity.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are included in the Trustees Report on page 3.

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Collections and donations are accounted for when they are received.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies (continued)

1.3 Income (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Direct costs are related support costs associated with preaching, pastoral care and the production and distribution of Charity literature. These are separately disclosed in the Statement of Financial Activities as Charitable Activities.

Governance costs are those incurred in connection with administration of the Charitable Company and compliance with constitutional and statutory requirements.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Historically the Charity has taught the principle of tithing (which is the donation of ten percent of one's net income for the Charity's unrestricted use). Most of the Charity revenue consists of such unrestricted donations. Donations are used for the publishing of Charity literature, assistance for members who are more in need, operating expenses of the annual Church festivals, ministerial activities and maintenance of buildings, as seems appropriate as seems in line with our charitable purposes. Restricted funds comprise amounts donated for specific objectives. They are expended in furtherance of certain aspects of the Charity. In the Trustees' opinion, at 31 December 2024 all donations received for specific purposes had been expended in accordance with, and in furtherance of, their intended purposes with the exception of of the restricted funds not yet utilised as detailed in note 15.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies (continued)

1.6 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

This consideration has taken into account the expected impact of the current economic environment on the Charity, as far as it can be determined, and the Trustees remain satisfied that the going concern principle remains appropriate.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.8 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies (continued)

1.9 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold buildings	- 4% on a straight-line basis
Motor vehicles	- 25% on a straight-line basis
Fixture and fittings	- 10% and 20% on a straight-line basis

Freehold land is not depreciated.

Profit on disposal of fixed assets are included in net expenditure for the year.

1.10 Investments

Investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. The Statement of Financial Activities includes the unrealised and realised gains and losses arising on revaluations and disposals throughout the year.

investments held as fixed assets are shown at fair value.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at bank and in hand

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

1.13 Creditors and provisions

Creditors and provisions are recognised where the Company has a present obligation resulting 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 normally recognised at their settlement amount after allowing for any trade discounts due.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies (continued)

1.14 Pensions

Defined Contribution

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Defined Benefit

The Charity operates a defined benefit, fully insured pension scheme administered externally and the pension charge is based on a full actuarial valuation dated 15 April 2024 for the year ended 31 December 2024.

The scheme was closed to new entrants from 31 December 2002. Payments made to the funds are charged annually in these financial statements. The funds have actuarial on a regular basis by a qualified actuary, the rates of contributions payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates.

The amount charged to the Statement of Financial Activities is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations to the cost.

Any difference between amounts charged to the Statement of Financial Activities and contributions paid to the independent pension scheme is shown as a liability or asset at the balance sheet date. Further information on pension costs is shown in note 20.

A pension scheme asset is recognised in the Balance Sheet under FRS 102 to the extent that the Charity is able to recover the surplus through refunds or through a reduction in future contributions to the scheme.

1.15 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

1) Defined benefit pension schemes valuation

The FRS 102 valuation for the Charitable Company's Defined Benefit Pension Schemes is recognised in the Balance Sheet as an asset. This is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets. This is sensitive to change in the assumptions made by the actuaries who have been appointed to value the schemes. See note 20 for the assumptions made for the pension commitments, and note 1.14 for the pensions accounting policies.

2) Depreciation of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 11 for the carrying amount of the tangible fixed assets and note 1.9 for the useful economic lives for each class of assets.

3. Donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £
Donations	355,650	355,650
Gift aid	42,106	42,106
Total 2024	397,756	397,756

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

3. Donations and legacies (continued)

	Unrestricted funds 2023 £	Total funds 2023 £
Donations	433,185	433,185
Legacies	6,000	6,000
Gift aid	49,149	49,149
Total 2023	<u>488,334</u>	<u>488,334</u>

4. Investment income

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Investment income	388	25,021	25,409
Pension income (note 10)	-	31,000	31,000
Total 2024	<u>388</u>	<u>56,021</u>	<u>56,409</u>

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income	30,029	30,029
Pension income (note 10)	34,000	34,000
Total 2023	<u>64,029</u>	<u>64,029</u>

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5. Analysis of expenditure by Charitable activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Charitable activities	556,962	101,623	658,585
	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	650,957	221,200	872,157

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Mileage and travel	52,484	83,089
Other expenses	18,640	15,121
General assistance	10,566	19,624
Depreciation	16,625	16,903
Summer Educational Programme	53,445	73,227
Hall hire and rent	54,667	65,656
Field conferences	21,794	2,552
Printing, postage and stationery	4,637	5,908
Staff costs	203,336	262,776
Young Peoples Ministry, website expenses and professional development	7,418	12,851
Governance costs	16,350	15,250
Pension asset derecognition	97,000	78,000
	556,962	650,957

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5. Analysis of expenditure by Charitable activities (continued)

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Insurance	6,156	4,236
Other expenses	40,705	25,775
Summer Educational Programme	-	842
Printing, postage and stationery	1,937	576
Staff costs	3,433	4,831
Young Peoples Ministry, website expenses and professional development	-	8,175
Professional fees	48,379	171,262
Governance costs	1,013	5,503
	101,623	221,200

6. Net income/(expenditure)

This is stated after charging:

	2024 £	2023 £
Depreciation of tangible fixed assets	16,625	16,903

7. Auditors' remuneration

The Auditor's remuneration comprises audit fees of £16,350 (2023: £15,250) and fees for other non-audit services of £4,050 (2023: £3,850). This includes fees for the Charity and its pension scheme.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

8. Staff costs

Staff costs were as follows:

	2024	2023
	£	£
Wages and salaries	183,544	236,632
Social security costs	17,354	22,698
Pension costs (note 20)	5,871	8,277
Pension asset derecognition (note 20)	97,000	78,000
	303,769	345,607

The average number of persons employed by the Charity during the year was as follows:

	2024	2023
	No.	No.
Persons employed	4	6
Stipendiary persons employed	6	6
	10	12

No employee received remuneration amounting to more than £60,000 in either year.

The Key Management Personnel of the Charity are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Charity. The Key Management Personnel of the Charity comprise the National Ministry Team. The total employee benefits of the Key Management Personnel of the Charity (including employer national insurance and employer pension) amounted to £179,328 (2023: £212,900).

9. Trustee's remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023: Nil).

During the year ended 31 December 2024, expenses totalling £124 were reimbursed or paid directly to 1 Trustee in respect of travel and subsistence (2023: £5,417 to 3 Trustees in respect of travel and subsistence).

Other related party transactions involving the Trustees are set out in note 22.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10. Pension finance income

	2024 £	2023 £
Interest income on pension scheme assets	362,000	400,000
Interest on pension scheme liabilities	(331,000)	(366,000)
	<u>31,000</u>	<u>34,000</u>

11. Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2024	359,256	3,950	178,429	541,635
Additions	-	-	2,019	2,019
Disposals	-	-	(78,498)	(78,498)
At 31 December 2024	<u>359,256</u>	<u>3,950</u>	<u>101,950</u>	<u>465,156</u>
Depreciation				
At 1 January 2024	226,567	3,950	156,399	386,916
Charge for the year	11,597	-	5,028	16,625
On disposals	-	-	(78,498)	(78,498)
At 31 December 2024	<u>238,164</u>	<u>3,950</u>	<u>82,929</u>	<u>325,043</u>
Net book value				
At 31 December 2024	<u>121,092</u>	<u>-</u>	<u>19,021</u>	<u>140,113</u>
At 31 December 2023	<u>132,689</u>	<u>-</u>	<u>22,030</u>	<u>154,719</u>

Freehold land and buildings includes freehold land, the value of which is estimated by the Trustees as being £69,324 (2023: £69,324), which has not been depreciated.

The most recent valuation on 12 July 2022 indicated that the value of the property is £305,000, per the accounting policy 1.9 the property is held at cost less depreciation.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

12. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2024	1,822,618
Additions	51
Disposals	(70,000)
Revaluations	147,640
	1,900,309
At 31 December 2024	1,900,309
Net book value	
At 31 December 2024	1,900,309
At 31 December 2023	1,822,618

The investments are invested in a number of investment funds including Clerical Medical Bonds, Canada Life Bonds, Newton Growth Fund, Epworth Cash Plus Fund and CCLA COIF Charities Ethical Investment Fund.

13. Debtors

	2024 £	2023 £
Other debtors	20,256	24,372
Prepayments and accrued income	41,939	63,485
	62,195	87,857
	62,195	87,857

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

14. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	44,092	31,212
Other creditors	10,405	10,407
Accruals	45,691	58,617
	100,188	100,236
	100,188	100,236

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 December 2024 £
Unrestricted funds						
Charitable fund	2,052,398	422,777	(561,585)	(38)	147,691	2,061,243
Pension reserve	-	31,000	(97,000)	-	66,000	-
	<u>2,052,398</u>	<u>453,777</u>	<u>(658,585)</u>	<u>(38)</u>	<u>213,691</u>	<u>2,061,243</u>
Restricted funds						
Restricted building fund	<u>12,539</u>	<u>388</u>	<u>-</u>	<u>38</u>	<u>-</u>	<u>12,965</u>
Total of funds	<u><u>2,064,937</u></u>	<u><u>454,165</u></u>	<u><u>(658,585)</u></u>	<u><u>-</u></u>	<u><u>213,691</u></u>	<u><u>2,074,208</u></u>

Unrestricted funds

Charitable funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes. Transfers of £38 from unrestricted funds to the restricted funds represents allocations to from the unrestricted funds to the restricted building fund.

Restricted funds

The restricted building fund represents the balance of unspent funds received towards property related expenditure. Transfers of £38 from unrestricted funds to the restricted funds represents allocations to from the unrestricted funds to the restricted building fund.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2023 £	Income £	Resources expended £	Gains/ (losses) £	Balance at 31 December 2023 £
Unrestricted funds					
Charitable fund	2,356,988	518,363	(982,157)	159,204	2,052,398
Pension reserve	-	34,000	111,000	(145,000)	-
	<u>2,356,988</u>	<u>552,363</u>	<u>(871,157)</u>	<u>14,204</u>	<u>2,052,398</u>
Restricted funds					
Restricted building fund	12,539	-	-	-	12,539
Restricted Africa fund	1,000	-	(1,000)	-	-
	<u>13,539</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>	<u>12,539</u>
Total of funds	<u><u>2,370,527</u></u>	<u><u>552,363</u></u>	<u><u>(872,157)</u></u>	<u><u>14,204</u></u>	<u><u>2,064,937</u></u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	140,113	140,113
Fixed asset investments	-	1,900,309	1,900,309
Current assets	12,965	121,009	133,974
Current liabilities	-	(100,188)	(100,188)
Total 2024	<u><u>12,965</u></u>	<u><u>2,061,243</u></u>	<u><u>2,074,208</u></u>

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	154,719	154,719
Fixed asset investments	-	1,822,618	1,822,618
Current assets	12,539	175,297	187,836
Current liabilities	-	(100,236)	(100,236)
Total 2023	<u>12,539</u>	<u>2,052,398</u>	<u>2,064,937</u>

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net expenditure for the year (as per Statement of Financial Activities)	<u>(56,729)</u>	<u>(160,590)</u>
Adjustments for:		
Depreciation charges (note 11)	16,625	16,903
Losses on investments (note 12)	(147,640)	(158,019)
Interest and rents from investments (note 4)	(25,409)	(30,029)
Pension scheme finance income (note 10)	(31,000)	(34,000)
Decrease in net pension asset (note 20)	97,000	78,000
Pension scheme contributions by the employer (note 20)	-	(189,000)
Decrease/(increase) in debtors (note 13)	26,211	(38,788)
(Decrease)/increase in creditors (note 14)	(597)	5,163
Net cash provided used in operating activities	<u>(121,539)</u>	<u>(510,360)</u>

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

18. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	71,779	99,979
Total cash and cash equivalents	71,779	99,979

19. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	99,979	(28,200)	71,779
	99,979	(28,200)	71,779

20. Pension commitments

Defined contribution pension scheme

The Charity is part of the NEST defined contribution pension scheme.

Contributions to the pension scheme recognised as an expense in the year was £5,871 (2023: £8,277).

Defined benefit group stakeholder pension scheme

The Charity operates a defined benefit group stakeholder pension scheme for its employees, which is funded.

The pension cost and asset for the year ending 31 December 2024 are based on the advice of a professionally qualified actuary. The most recent formal valuation is at 31 December 2024.

The scheme was closed to new entrants with effect from 31 December 2002.

The defined contribution asset is allocated to unrestricted funds.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

20. Pension commitments (continued)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 December 2024	At 31 December 2023
	%	%
Discount rate	5.40	4.80
Future pension increases	2.60	2.50
Consumer price inflation	2.60	2.50
RPI inflation	3.50	3.40

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 December 2024	At 31 December 2023
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	21.5	21.6
- at 65 for a male aged 45 now	23.1	23.2
- for a female aged 65 now	24.9	24.8
- at 65 for a female aged 45 now	26.6	26.5

The Charity's share of the assets in the scheme was:

	Fair value at 31 December 2024	Fair value at 31 December 2023
	£	£
Equities (including property)	1,359,000	1,294,000
Bonds	715,000	659,000
Insured pensions	5,169,000	5,712,000
Cash	175,000	171,000
Total fair value of assets	7,418,000	7,836,000

The actual return on scheme assets was £168,000 gain (2023: £210,000 gain).

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

20. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2024	2023
	£	£
Interest income	362,000	400,000
Interest cost	(331,000)	(366,000)
Movement in derecognition of scheme asset	(97,000)	(78,000)
Contribution by employer	-	189,000
Total amount recognised in the Statement of Financial Activities	(66,000)	145,000

Movements in the present value of the defined benefit obligation were as follows:

	2024	2023
	£	£
Opening defined benefit obligation	7,389,529	9,269,529
Interest cost	331,000	366,000
Actuarial gains	(260,000)	(1,632,000)
Benefits paid	(586,000)	(614,000)
Closing defined benefit obligation	6,874,529	7,389,529

Movements in the fair value of the Charity's share of scheme assets were as follows:

	2024	2023
	£	£
Opening fair value of scheme assets	7,836,000	8,051,000
Interest income	362,000	400,000
Actuarial losses	(194,000)	(190,000)
Benefits paid	(586,000)	(614,000)
Contributions by the employer	-	189,000
Closing fair value of scheme assets	7,418,000	7,836,000

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £	2023 £
20. Pension commitments (continued)		
Defined benefit obligation	(6,874,529)	(7,389,529)
Scheme assets	7,418,000	7,836,000
Derecognition of surplus	(736,000)	(639,000)
Provision for GMP equalisation	192,529	192,529
Provision carried forward	-	-

	2024 £	2023 £
Opening derecognition of surplus	639,000	561,000
Movement on derecognition of surplus	97,000	78,000
Closing derecognition of surplus	736,000	639,000

The actuarial reports in terms of the Defined Benefit Pension Scheme suggest a surplus of assets over liabilities of £736,000. In accordance with FRS102, a pension scheme asset is only recognised to the extent that it is recoverable. As the Charity cannot demonstrate that this asset is recoverable via a cash payment or reduction in future premiums it has not been recognised in the primary statements. A £Nil position has been reflected.

	2024 £	2023 £
Experience adjustments on scheme liabilities	260,000	1,632,000
Experience adjustments on scheme assets	(194,000)	(190,000)
Net Actuarial gains	66,000	1,442,000

The Charity does not expect to make any contributions to its Defined Benefit Pension Scheme in 2025.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

21. Operating lease commitments

At 31 December 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Not later than 1 year	2,364	2,564
Later than 1 year and not later than 5 years	2,808	5,172
	<u>5,172</u>	<u>7,736</u>

22. Related party transactions

Other than expenses paid to the Trustees as per note 9, no related party transactions took place in the year ended 31 December 2024.

23. Controlling party

The Charity is ultimately controlled by the Board of Trustees.

24. Company limited by guarantee

The Charity is a Company limited by guarantee and does not have share capital.

Grace Communion International

England & Wales - Charity number 311098

Accounts

Registered number: 00654913 (England and Wales)
Charity number: 311098 (England and Wales)
SC040008 (Scotland)

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

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GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2023

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees

James Lambu	(Chair)
Ray Walker	(Vice-Chair)
Gordon Brown	(Resigned 17 August 2024)
Linda Halford	(Resigned 26 August 2023)
Simon Williams	
Maureen Watson	
Hilary Buck	
James McIvor	

Secretary

Peter Sheppard	(Resigned 5 March 2023)
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National Ministry Leader

Gavin Henderson

Registered Charity Name:

Grace Communion International

Names Also Known By

Worldwide Church of God
Summer Educational Programme (Summer camp only)

Registered Office and Operational Address

9 The Point
Rockingham Road
Market Harborough
Leicestershire
LE16 7QU

Company Registered Number

00654913 (England & Wales)

Charity Registered Number

311098 (England & Wales)
SC040008 (Scotland)

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Independent Auditor

MHA Chartered Accountants
Moorgate House
201 Silbury Boulevard
Milton Keynes
MK9 1LZ

Bankers

Barclays Bank Plc
20 High St
Market Harborough
LE16 7NR

Solicitors

Edward Connor Solicitors
10 The Point,
Market Harborough,
Leicestershire
LE16 7QU

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

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

The Trustees (who are also the Directors of the Charity for the purposes of the Companies Act) present their Annual Report together with the audited financial statements of Grace Communion International (“GCI UK”, “we”, the Charitable Company, the Church, the Charity) for the year ended 31 December 2023. The Trustees confirm that the Annual Report and financial statements of the Charitable Company comply with current statutory requirements, the requirements of the Charitable Company’s governing document, the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

The Charity qualifies as small under S383 of the Companies Act 2006. A Strategic Report under the Companies Act 2006 (Strategic Report and Directors’ Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Vision and Mission Statement

The mission of the Charity is to proclaim the good news of Jesus Christ whenever and wherever it can. We take care of those whom God calls into our part of the body of his Church by inspiring and training them to serve and love others, reflecting the way in which Jesus Christ loves humanity. Thus, we seek to create a positive and accountable spiritual environment in which the Church lives and shares the Gospel of Jesus Christ in the UK, in the Republic of Ireland, and beyond.

To help us achieve this vision of ‘Healthy Church’ and to fulfil our mission statement of ‘Living and Sharing the Gospel’, the Church has the following four avenues of focus:

Pastor Avenue

“I always pray with joy because of your partnership in the gospel from the first day until now” (Philippians 1:4-5 NIVUK)

“Then Peter stood up with the Eleven, raised his voice and addressed the crowd” (Acts 2:14 NIVUK)

GCI UK believes that it is essential that Church leadership is team-based. To achieve this, leaders in GCI UK (both on a national and local level) are encouraged to practise the 4 E’s: Engage, Equip, Empower and Encourage.



This means that our leaders seek to *engage* with the membership of the Church as they look to recognise and recruit new volunteers and potential leaders. These volunteers are then *equipped* by the leadership by investing time and/or resources in them so that they can develop in their role and in turn multiply their skills within the congregation. Where leadership qualities are identified, potential leaders can then be *empowered* by creating space for them to actively serve in leadership and commissioning them for the role. Finally, these volunteers are *encouraged* by the leadership on an ongoing basis, thus affirming their suitability for the role and recognising their contribution to the Church.

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Hope Avenue

“When they saw him, they worshipped him” (Matthew 28:17 NIVUK)

“Every day they continued to meet together in the temple courts... praising God and enjoying the favour of all the people.” (Acts 2:46-47 NIVUK)

Worship services are a key part of GCI UK’s activities, and our aim is that all our worship services are centred on Jesus Christ and that they are inspiring, bringing hope to all those who attend. This involves intentional preparation for our weekly services and a focus on being an inclusive gathering that welcomes people of all ages, ethnicities, and backgrounds.



Faith Avenue

“And teaching them to obey everything I have commanded you.” (Matthew 28:20 NIVUK)

“They devoted themselves to the apostles’ teaching and to fellowship, to the breaking of bread and to prayer... They broke bread in their homes and ate together with glad and sincere hearts” (Acts 2:42, 46 NIVUK)

Discipleship is a key part of GCI UK’s activities. The Church is committed to providing opportunities for people to strengthen their faith and to follow in the footsteps of Jesus Christ. This is done through Church events (both on a national and congregational level) that provide a chance for people to deepen their relationship with God and with one another as well as by providing midweek events such as Bible studies and prayer meetings.



Love Avenue

“Therefore go and make disciples of all nations, baptising them in the name of the Father and of the Son and of the Holy Spirit” (Matthew 28:19 NIVUK)

“And the Lord added to their number daily those who were being saved.” (Acts 2:47 NIVUK)

GCI UK believes that a “healthy Church” is one that is showing the love of Jesus Christ to the world. This means that one of the key objectives of the Church is engaging both the general public and the local community near where congregations meet and proclaiming to them the Gospel of Jesus Christ through both our words and our actions.



**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Main Activities

As a Church our primary activity is to hold regular (weekly) Church services. These services are open to everyone, including the public, who are welcome to join in and participate with us in worship and to hear a message proclaiming Jesus Christ and his Kingdom, though we reserve the right to refuse entry where and when necessary. We have 18 congregations or fellowship groups that meet weekly and a further 3 that meet on a less frequent basis throughout the UK and Ireland. Our services in these congregations provide a safe environment for people to celebrate the Church's beliefs.

Experienced local pastoral workers provide support for people through biblical counselling, and, in the case of ordained ministry, through performing ministerial duties such as weddings, funerals, and offering general assistance where possible or where needs have been expressed. Ministers and approved pastoral workers are often asked to give biblical counsel and comfort to the sick and terminally ill, and to bereaved relatives and friends. Often such services are provided to people with little or no prior connection to the Church and are provided free of charge.

We communicate regularly to our members and Church contacts using various different types of communication media. A member letter was sent out by post every month in 2023. In addition, every other month an in-house produced magazine called *Belong* was sent out in addition to the member letter. The *Belong* magazine helps to encourage our existing members by developing their faith through topical articles and providing updates about our current projects and activities. There is no charge for the magazine or the member letter that members receive, which has a circulation of over 600. The magazine is also available on our website.

We also produced a daily Bible study series in 2023, called *Word of Life* which is published on our website wordoflife.gracecom.church. The studies are freely available, and we also offer an email subscription allowing members and contacts to receive the study each day in their inbox. The project has a significant proportion of international readers.

Several of our congregations now also offer online access to services using both Zoom and Facebook Live. Additionally, we offer weekly sermons nationally via our YouTube channel: <https://www.youtube.com/c/GCIUKandIreland>, as well as offering live-streamed Bible studies every fortnight. All our online activities, both at a national and congregational level, can also be accessed via our website www.gracecom.church.

The Church also puts on conferences, holds celebration events and organises summer camps for children and teenagers. In 2023, celebration events were held in Larbert, Galway, Hemel Hempstead, Bridlington and Paighton, and a conference was held via Zoom. In addition, a twelve-day summer camp for teenagers, called SEP, was held in Morfa Bay and a three-day activity camp for younger children, called Adventure Camp, was held in Kettering.

GCI UK is a member organisation of the Evangelical Alliance and many of its congregations are members of the Churches Together network in their respective areas. GCI UK is keen on working with other Churches and organisations to further its mission of Living and Sharing the Gospel.

Volunteers

We are greatly indebted to all our volunteers for their dedication, time, and skills: in particular, to the over 100 voluntary pastoral workers, without whom the Church and Charity would not be able to provide its services.

**GRACE COMMUNION INTERNATIONAL
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**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

We are also very grateful for those who helped write, promote, and produce our magazine *Belong*, and also for those involved in our daily Bible study series *Word of Life*.

Finally, we are very appreciative of those who work with our Youth, particularly as there was a significant increase in campers for both SEP and Adventure Camp in 2023.

Public Benefit

GCI UK, as outlined above, carries out numerous activities to achieve its aims and objectives. The Trustees consider that these activities provide a public benefit both in terms of the redemptive work of the Church as well as the social outreach the Church engages in on regional, national, and international levels. They have considered the guidance issued by both the Charity Commission and the Office of the Scottish Charity Regulator on Public Benefit in this regard. In particular the Trustees would like to emphasise the Church's desire to be inclusive, where we strive to make the services and events that we run open to all and endeavour not to present a financial barrier to attendance and participation. Our online services have been particularly helpful in helping our services be more inclusive of those who are unable to attend due to ill health, not being near one of our congregations, or other reasons.

Examples of the social outreach the Church has engaged in during 2023 include putting on a Christmas Day dinner for people who do not have anywhere else to go, running a soup kitchen in Llanelli, and holding events to celebrate the King's coronation. On top of this, many of our congregations also donate food to their local food banks.

ACHIEVEMENTS AND PERFORMANCE

Achievements and Performance Summary

The Church has continued to provide national services via YouTube and Zoom as well as some online services on a congregational level too. For those without internet access, a number of our congregations arranged to send out CDs of sermons.

Fortnightly Bible studies took place via YouTube which included a Bible study series called "We Believe" that covers the core beliefs of the Christian faith. An accompanying two-part workbook is available free of charge for those who want to follow along.

The Church also sponsored several of our volunteers and employees in the area of theological education with Grace Communion Seminary, our accredited denominational seminary in the USA (www.gcs.edu) and Ambassador College of Christian Ministry, our denominational seminary in Australia (www.ambascol.org).

In 2023, we were able to hold our summer camp for teenagers, called SEP (24 July – 4 August 2023). The camp was held in Morfa Bay in Wales and ran for twelve days. We were pleased to be able to welcome 70 campers (up from 54 the year before). The camp featured a number of activities including daily worship, Christian living, leatherworking, a ceilidh, paddle-boarding, a mud assault course, caving and coasteering.

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**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

We were also pleased to be able to go ahead with our summer camp for children aged 7-13, called Adventure Camp (25-28 August 2023). Adventure camp welcomed 40 campers (up from 35 campers the year before) in 2023 to the Sir John Lowther Scouting centre in Kettering for the August Bank holiday weekend. The camp ran a number of activities such as daily worship, go-karting, tunnelling, archery, firecraft and tie-dying.

Celebration events were held in Hemel Hempstead (14-16 April 2023), Larbert (5-7th May 2023), Galway (7-10 September 2023), Bridlington (22-25 September 2023) and Paignton (9-16 October 2023) and each celebration had a different theme based on a Scripture. A mini-celebration was also held in Tullamore on the 18 June 2023 to provide a chance to meet up for our scattered members in the Republic of Ireland. These events featured both traditional worship services as well as seminars and fellowship events. The combined attendance over all events was over 150. Additionally, in January 2023, we held a Zoom conference for our ministry.

The Church also continued to run its Life Club project which teaches public speaking skills to all age groups. Geoff Sole, who runs the project, continues to advise GCI congregations around the world with respect to running Life Clubs and has facilitated getting the Life Club manual translated into a number of languages. In 2023 regular International Life Clubs took place on Zoom and featured speakers from Africa, Asia, Europe and North America.

At the beginning of 2023 the Church requested that all of our congregations move to Sunday as their main day of worship with a target date for this transition of the end of 2024. This change will affect the majority of our congregations, which still meet on Saturday for historical reasons. This will help bring our congregations into alignment with the denomination internationally. The change will also remove a potential obstacle to new people attending our congregations. Several of our congregations made this change in 2023 and we are on track to complete the transition by the end of 2024. This change is likely to negative impact the Church's finances and Church attendance in the short term.

In June 2023 we also had a significant update of our Church website (www.gracecom.church) which aimed to make the website more accessible, particularly on mobile devices as well as bring a more modern look and feel to the website.

Throughout 2023 we also held a series of community-based events in Market Harborough, where our office is based, with the aim of launching a Church plant. These events included: a quiz, an afternoon tea, a Barbeque, as well as a Christmas Day meal for those who are not able to spend Christmas with family or friends. In November 2024 our Northampton fellowship relocated to Market Harborough to help support the Church plant.

Administration & Management

Our Regional Pastor for Wales, Central and Northern England, Anthony Dady, stepped down from his role in August 2023 to emigrate to New Zealand. We are very thankful to Anthony for his work and wish him well for the future.

In March 2023 the Board reviewed and updated the data protection policy of the Church. The Board and management also reviewed the safeguarding procedures of the Church. As part of this review training was given to staff and trustees, and a new database MyConcern was introduced to help securely record safeguarding incidents.

**GRACE COMMUNION INTERNATIONAL
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**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Employment Tribunal

In May 2024 the Church received the judgement of an Employment Tribunal relating to claims brought by an ex-employee. Whilst the vast majority of the claims brought were not upheld, several were. Whilst any finding that the Church fell short is regrettable, we take some comfort in that the three claims upheld were not of the most serious nature. A serious incident report was filed with the Charity commission in 2023 about the employment tribunal and kept up to date. Whilst the Church's solicitors advised that there were grounds to appeal these findings, the Board of Trustees decided it was in the best interests of the Charity to draw a line, learn the lessons that can be learnt, and dedicate the Church's time and effort to ministry.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Grace Communion International was incorporated as a company limited by guarantee in 1960 and registered as a Charity in 1963. The Charity is governed by Articles of Association that were last updated on the 20 August 2022. This was an update made to reflect the new name of the Charity following the name being registered with both Companies House and the Charity Commission.

Method of Appointment or election of Trustees and Training

As set out in the Articles of Association there are a minimum of five Trustees and a maximum of eleven. As of 31 December 2023 there were seven Trustees. Trustees are elected in accordance with the Articles of Association for a term of three years and may serve, if so elected, for three terms, before normally being required to step down for at least one year. Trustees are required to abide by the Code of Ethics for Elders and the Grace Communion International Statement of Beliefs as published by Grace Communion International USA (GCI HQ) based in Charlotte, USA. The Board of Trustees considers Diversity, Equality and Inclusion when selecting Trustees and aims to have a Board that not only has a good mix of skills and experience but also reflects the diversity of our members and the people we are serving as a Charity in the United Kingdom and Ireland.

All new Trustees are given copies of the Memorandum and Articles of Association. Induction is provided in the form of copies of previous minutes and copies of the latest Governance & Leadership magazine and Charity Commission News. Each new Trustee is also provided with a copy of the guidance advice for new Trustees issued by the Charity Commission and Office of the Scottish Charity Regulator.

Trustees are also kept up to date with the availability of courses/seminars on Trustees' responsibilities (funded by the Charity). The majority of our Trustees were able to attend a Safeguarding for Trustees seminar put on by 31:8, a safeguarding Charity that works with Churches.

Trustee Benefits

GCI UK does not give remuneration to Trustees for their role as Trustee. It does, however, help cover the costs of their travel and the training required or recommended for their duties as Trustees.

As permitted by the Articles of Association, each Trustee has the benefit of an indemnity, which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006.

**GRACE COMMUNION INTERNATIONAL
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**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustee Changes in 2023

In August 2023, Linda Halford stepped down as a Trustee having reached the end of her second term of office. The Church is very appreciative of the wisdom and insight that Linda contributed to the Board of Trustees during her term of service.

Organisational Structure and Decision Making

GCI UK is governed by a Board of Trustees, which meets at least four times a year to:

- agree the policies of the Charity;
- determine strategic direction and objectives;
- ratify major decisions on and monitor the use of finances; and
- review management reports.

Board Committees

Sub-committees, if necessary, are appointed on an ad hoc basis and disbanded when they have completed the task for which they are formed. In 2023 there were two sub-committees: one to appraise the National Ministry Leader's performance and another to determine the National Ministry Leader's remuneration.

International Connections

GCI UK operates as an organisation associated with GCI HQ. Although capable of independent operation, GCI UK has willingly subordinated itself in doctrinal matters to the GCI HQ insofar as it does not bring our Church and Charity into conflict with UK laws.

Additionally, we have a working relationship with various Grace Communion International organisations overseas. Gavin Henderson, the National Ministry Leader (NML) also serves as GCI HQ's Superintendent for Europe. This is a non-salaried position, though the Board of Trustees has agreed to help support some of the travel expenses associated with the role and to donate some of Gavin Henderson's employed time as NML to the role. The Board has agreed to regularly review this arrangement to ensure it is in the best interest of the Charity.

As part of this role the NML travelled to the Netherlands in April, Switzerland in June and Italy in August where he held seminars and meetings with the leaders of the GCI congregations in those countries as well as attending the GCI international celebration in the US (along with other delegates from the UK).

Operational management

The general management and strategic planning was delegated to the NML within the guidelines of the Board's Mission Statement and within the vision of the denomination. The NML reported regularly to the Board and to GCI HQ and was supported by his staff with whom he consulted regularly.

Management Remuneration

The NML's salary was determined by the Board based on a recommendation of a sub-committee consisting of Ray Walker, Simon Williams and Hilary Buck. The salaries of staff, set by the NML, were seen and approved by the Board of Trustees at the November 2022 Board meeting where the budget for 2023 was approved. GCI UK seeks to ensure that its staff are paid appropriately but not excessively.

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TRUSTEES REPORT (Continued)
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FINANCIAL REVIEW

GCI UK remains in good financial health as it has significant reserves. In 2023 the expenditure of the Charity was significantly above income and above budget. This was primarily due to a deficit recovery payment that was made into the Church's pension scheme and increased legal costs due to an employment tribunal.

The income of the Church dropped compared to previous years in 2023. This is, in part, a result of an ongoing decline in the donations received by the Church due to the age profile of the Church and its decreasing membership. There was a further drop in income at the end of 2023 which is likely a result of the liturgical changes being made in the Church (moving from Saturday to Sunday as the main day of worship).

Fiscal Responsibility

The Board of Trustees normally requires that the executive of GCI UK operate a balanced budget, based on the anticipated Income and Expenditure for the year. Since 2021 the Board has agreed that, given the Church's reserves, the Church could operate the next couple of years with expenditure in excess of income (within limits). This would allow the Church to invest in its future at a key moment for the Charity. The Board of Trustees regularly reviews the finances of the Charity and is keen for the Church to return to a balanced budget in future years.

The Board had determined that should income be in excess of expenditure (e.g. in the case of receipt of exceptional donations or legacies), these funds can be assigned to projects suggested by the NML to the Board of Trustees. Until then any funds in excess of budget should be invested to provide additional revenue for the Church in the future. Due to their uncertain nature, the Church does not budget for legacy income.

Reserves Policy

The Board of Trustees has established that the level of reserves in cash or cash equivalent should be at least six months' operating expenses (for 2023 this was determined to be £290,000). Following Charity Commission guidance any pension scheme surplus is not reflected in the level of reserves, as they do not represent an immediately realisable asset. The Charity's reserves held in 2023 were significantly above the six months' operating expenses. For a number of years the Charity has operated a policy of not budgeting for legacies (which, due to the size of our organisation are not easily predictable) – instead, the Board of Trustees has determined that funds above budget should be kept in reserve to help provide an additional revenue stream for the Charity in the future.

At 31 December 2023 the total funds comprised:

Restricted	£12,539
Unrestricted: other	<u>£2,052,398</u>
Total	<u>£2,064,937</u>

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TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

Investment Powers and Policy

GCI UK's constitution allows the Board of Trustees to invest money not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

The Board of Trustees, having regard to the liquidity requirements of operating GCI UK and the reserves policy set out above, kept funds in 2023 in Newton's 'Growth and Investment fund for charities', CCLA Charities Ethical Investment fund and Epworth multi-asset fund as well as in Clerical Medical and Canada Life investment vehicles which had been received as part of a legacy in a prior year.

The Epworth corporate bonds fund was closed in April and at that point some of the Charity funds were transferred to the Epworth Cash plus account where they remained throughout the year.

The Church's investments help ensure the long-term viability of the Church in the light of the current financial pressures facing the Charity as well as providing options for strategic capital investments in the future (e.g. purchasing or building a new Church hall).

Fundraising

Most of the income for the Church comes from donations as opposed to fundraising. While the Church encourages members to support the Church financially, the Church stresses that members should only give as they are able. In 2023, a regular member letter was sent out in a mailshot. Each mailshot contained a donation envelope in case recipients wanted to help support the Church financially. In addition, offerings were taken up at our Celebration events and in some of our congregations during the year.

The Church complies with the law as it applies to charities and fundraising and in 2023 did not use third party or professional fundraisers and received no complaints in relation to fundraising. Due to the very limited nature of the Church's active fundraising, the Church has not signed up to the code of fundraising practice — however, the Board keeps its position under review and is keen that the Church follows best fundraising practices. No specific fundraising activities are currently planned for 2024.

Indigenous Income

The income of GCI UK is predominantly derived from donations from its congregational members in Great Britain and Eire with occasional contributions from non-members. As in previous years, full advantage has been taken of Gift Aid tax relief on eligible donations. Additionally, a small proportion of the Charity's income comes from income arising from investment returns.

Pension Scheme

The Church operates a defined benefit pension scheme called the Pension and Life Assurance Plan of the Worldwide Church of God (Worldwide Church of God is the former name of Grace Communion International). The scheme has been closed to new members since 2002. The last active member of the scheme retired in 2015 leaving only deferred members as non-insured liabilities. The pension scheme was in deficit as per the 31st December 2021 valuation (received in March 2023). Part of the reason for this deficit was the inclusion of costs relating to determining Guaranteed Minimum Pension equalisation for the scheme. As per the agreed recovery plan, the Church made a deficit reduction contribution in 2023 of £188,500 to eliminate the deficit in the pension scheme.

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TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

Risk management and internal controls

The Trustees ensure that major risks to which GCI UK is exposed are reviewed and assessed and that systems are in place to mitigate those risks. The Trustees have agreed a risk management policy for which they have overall responsibility. Operational responsibility was delegated by the Trustees to the National Ministry Leader and his staff. A risk register identifies risks and assigns specific actions and responsibilities for mitigating the risks. The risk management process is on-going. The Trustees consider that a major risk is one that has a high likelihood of occurring and would, if it occurred, have a severe impact on operational performance. The National Ministry Leader reported regularly to the Board of Trustees on major risks and how they are being managed.

The Trustees expect all staff and volunteers when engaging in any activity on behalf of GCI UK to consider the risks posed and to act in accordance with the risk management policy and procedure. All increases to on-going or new activities are risk assessed prior to being introduced or undertaken.

The Trustees want to be risk alert but do not wish to be averse to taking reasonable risks as part of the Board's strategy to achieve the objectives of GCI UK. All key policies within the organisation are reviewed at regular intervals and updated as appropriate to reflect legislative changes and the latest developments in this area. In particular, the Church reviewed its data protection policy and procedures as well as its Safeguarding procedures.

The Board has identified three major risks to the Church. The first is the age of its membership. The increasing age of our volunteers means that some of our congregations are having to meet less frequently, and the increasing age of our members also has an impact on our finances as our regular donors retire etc. Another major risk to the Church is the Church's pension scheme. The pension scheme was closed to new members in 2002, no longer has active members (only pensioners and deferred pensioners)— however, due to the size of the pension fund compared to our annual income, this remains a significant concern. Finally, the last risk facing the Church is the loss of members due to disagreements on the Church's current doctrinal position (and resultant changes to liturgical practice) -that are a legacy of the Church's past teachings. The Church is committed to handling these divisions in a loving and caring way to try to mitigate this risk.

Third party indemnity insurance

The Church pays third party liability insurance in respect of the Trustees and senior management.

PLANS FOR THE FUTURE

The Church plans to continue to develop the four avenues of "healthy Church" as outlined in the objectives section of this report. This will be accomplished by creating a cohort for each avenue that meets regularly throughout the year for training and to help share thoughts and ideas that can be implemented within their congregation.

Our transition to Sunday as our main day of worship will be completed by the end of 2024 and our Regional Pastors are focused on providing support during this period for the congregations that still have to make this move. We will continue to explore ways in which we can support our members and contacts who are unable to make this transition with us.

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TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

We have secured a new location for our SEP summer camp in 2024 at the Frontier Centre in Northamptonshire. Our hope is that by moving to this new location, and reducing the length of camp to 7 days, we will make camp more sustainable for the future (due to easier transport and lower costs). Adventure Camp will once again take place in 2024 in the same location as 2023, although we are actively investigating the possibility of holding a second Adventure Camp in another location at a different time of the year.

As in 2023, the Church is planning to hold Celebrations in Larbert, Galway, Tullamore, Hertfordshire, Bridlington and Paignton. We also plan on holding a weekend conference for our ministers and leaders in November 2024.

From an administrative perspective, the Board of Trustees will continue with its review of the Church's policies and as part of this the Management is planning to create a Volunteers' handbook in 2024 which gathers together in one place all the relevant policies for our volunteers. The Church already has a staff handbook for employees. Work will also continue to integrate the Church's existing websites into one unified site.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Charity does not hold any such funds on behalf of any other organisations.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also the Directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**GRACE COMMUNION INTERNATIONAL
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**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

DISCLOSURE OF INFORMATION TO AUDITORS

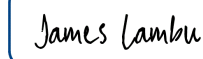
Each of the persons who are Trustees at the time when this Trustees' Report is approved confirm that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charitable Company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

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

Signed by:



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James Lambu

Chair of the Board of Trustees

Date: september 24, 2024

9 The Point
Rockingham Road
Market Harborough
Leicestershire
LE16 7QU

GRACE COMMUNION INTERNATIONAL
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL

Opinion

We have audited the financial statements of Grace Communion International (the 'Charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 Charitable Company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006, the Charities and Trustee investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustee's 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 Charitable Company's ability to continue as a going concern for a period of at least twelve 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report included within the Trustee's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate 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 Trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustee's Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Trustee's Responsibilities Statement set out on page 13, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) 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 the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(CONTINUED)

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44 (1) (C) of the Charities and Trustees Investment (Scotland) Act 2005 and the Companies Act 2006, and report in accordance with regulations made within those Acts.

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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indications of fraud;
- reviewing minutes of meetings of those charged with governance;
- reviewing Financial Statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

GRACE COMMUNION INTERNATIONAL
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(CONTINUED)

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Charity's Trustees as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Charitable Company's Trustees those matters we are required to state to them in an Auditors' 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 Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Elizabeth Newell BA (Hons) FCA (Senior Statutory Auditor)

for and on behalf of
MHA (Statutory Auditors)
Milton Keynes, United Kingdom

Date: 25 September 2024

MHA is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	-	488,334	488,334	570,311
Investments	4	-	64,029	64,029	16,985
Total income		-	552,363	552,363	587,296
Expenditure on:					
Charitable activities - (including pension 2023: £87,889 and 2022: £181,755)	5	1,000	871,157	872,157	854,407
Total expenditure		1,000	871,157	872,157	854,407
Net gains/(losses) on investments	12	-	159,204	159,204	(47,814)
Net movement in funds before other recognised losses		(1,000)	(159,590)	(160,590)	(314,925)
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	20	-	(145,000)	(145,000)	116,000
Net movement in funds		(1,000)	(304,590)	(305,590)	(198,925)
Reconciliation of funds:					
Total funds brought forward		13,539	2,356,988	2,370,527	2,569,452
Net movement in funds		(1,000)	(304,590)	(305,590)	(198,925)
Total funds carried forward		12,539	2,052,398	2,064,937	2,370,527

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 42 form part of these financial statements.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00654913

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	154,719	164,935
Investments	12	1,822,618	1,663,414
		<u>1,977,337</u>	<u>1,828,349</u>
Current assets			
Debtors	13	87,857	49,069
Cash at bank and in hand	18	99,979	588,182
		<u>187,836</u>	<u>637,251</u>
Current liabilities			
Creditors: amounts falling due within one year	14	(100,236)	(95,073)
		<u>87,600</u>	<u>542,178</u>
Net current assets		<u>87,600</u>	<u>542,178</u>
Total net assets		<u><u>2,064,937</u></u>	<u><u>2,370,527</u></u>
Charity funds			
Restricted funds	15	12,539	13,539
Unrestricted funds	15	2,052,398	2,356,988
Total funds		<u><u>2,064,937</u></u>	<u><u>2,370,527</u></u>

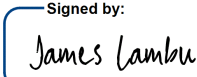
GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00654913

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2023

The Trustee acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:

Signed by:

.....0BPC3C478DD943F.....
James Lambu
Chair of the Board of Trustees

Date: September 24, 2024

The notes on pages 23 to 42 form part of these financial statements.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	17	(510,360)	(141,675)
Cash flows from investing activities			
Dividends, interests and rents from investments		30,029	9,985
Proceeds from the sale of tangible fixed assets		-	(2,906)
Purchase of tangible fixed assets		(6,687)	-
Proceeds from sale of investments		23,147	-
Purchase of investments		(24,332)	(1,100,000)
Net cash provided by/(used in) investing activities		22,157	(1,092,921)
Cash flows from financing activities			
Change in cash and cash equivalents in the year		(488,203)	(1,234,596)
Cash and cash equivalents at the beginning of the year		588,182	1,822,778
Cash and cash equivalents at the end of the year	18	99,979	588,182

The notes on pages 23 to 42 form part of these financial statements

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

Grace Communion International is an incorporated Charity registered with the Charity Commission for England and Wales registration number 311098, and with OSCR in Scotland registration number SC040008. The Company is registered in the UK, registration number 00654913.

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Grace Communion International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Charity's functional and presentational currency is British Pound Sterling (£) and is rounded to the nearest pound (£).

The following principal accounting policies have been applied.

1.2 Company status

The Charity is a company limited by guarantee. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £7 per member of the Charity.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are included in the Trustees Report on page 3.

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Collections and donations are accounted for when they are received.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.3 Income (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Direct costs are related support costs associated with preaching, pastoral care and the production and distribution of Charity literature. These are separately disclosed in the Statement of Financial Activities as Charitable Activities.

Governance costs are those incurred in connection with administration of the Charitable Company and compliance with constitutional and statutory requirements.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Historically the Charity has taught the principle of tithing (which is the donation of ten percent of one's net income for the Charity's unrestricted use). Most of the Charity revenue consists of such unrestricted donations. Donations are used for the publishing of Charity literature, assistance for members who are more in need, operating expenses of the annual Church festivals, ministerial activities and maintenance of buildings, as seems appropriate as seems in line with our charitable purposes. Restricted funds comprise amounts donated for specific objectives. They are expended in furtherance of certain aspects of the Charity. In the Trustees' opinion, at 31 December 2023 all donations received for specific purposes had been expended in accordance with, and in furtherance of, their intended purposes with the exception of the restricted funds not yet utilised as detailed in note 15.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.6 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

This consideration has taken into account the expected impact of the current economic environment on the Charity, as far as it can be determined, and the Trustees remain satisfied that the going concern principle remains appropriate.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.8 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.9 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold buildings	- 4% on a straight-line basis
Motor vehicles	- 25% on a straight-line basis
Fixture and fittings	- 10% and 20% on a straight-line basis

Freehold land is not depreciated.

Profit on disposal of fixed assets are included in net expenditure for the year.

1.10 Investments

Investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. The Statement of Financial Activities includes the unrealised and realised gains and losses arising on revaluations and disposals throughout the year.

investments held as fixed assets are shown at fair value.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at bank and in hand

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

1.13 Creditors and provisions

Creditors and provisions are recognised where the Company has a present obligation resulting 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 normally recognised at their settlement amount after allowing for any trade discounts due.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.14 Pensions

Defined Contribution

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Defined Benefit

The Charity operates a defined benefit, fully insured pension scheme administered externally and the pension charge is based on a full actuarial valuation dated 15 April 2024 for the year ended 31 December 2023.

The scheme was closed to new entrants from 31 December 2002. Payments made to the funds are charged annually in these financial statements. The funds are actuarially valued on a regular basis by a qualified actuary, the rates of contributions payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates.

The amount charged to the Statement of Financial Activities is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations to the cost.

Any difference between amounts charged to the Statement of Financial Activities and contributions paid to the independent pension scheme is shown as a liability or asset at the balance sheet date. Further information on pension costs is shown in note 20.

A pension scheme asset is recognised in the Balance Sheet under FRS 102 to the extent that the Charity is able to recover the surplus through refunds or through a reduction in future contributions to the scheme.

1.15 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Critical accounting estimates and areas of judgement (continued)

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

1) Defined benefit pension schemes valuation

The FRS 102 valuation for the Charitable Company's Defined Benefit Pension Schemes is recognised in the Balance Sheet as an asset. This is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets. This is sensitive to change in the assumptions made by the actuaries who have been appointed to value the schemes. See note 20 for the assumptions made for the pension commitments, and note 1.14 for the pensions accounting policies.

2) Depreciation of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 11 for the carrying amount of the tangible fixed assets and note 1.9 for the useful economic lives for each class of assets.

3. Donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £
Donations	433,185	433,185
Legacies	6,000	6,000
Gift aid	49,149	49,149
Total 2023	488,334	488,334

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3. Donations and legacies (continued)

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	473,411	473,411
Legacies	33,148	33,148
Gift aid	63,752	63,752
Total 2022	<u>570,311</u>	<u>570,311</u>

4. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income	30,029	30,029
Pension income (note 10)	34,000	34,000
Total 2023	<u>64,029</u>	<u>64,029</u>

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	9,985	9,985
Pension income (note 10)	7,000	7,000
Total 2022	<u>16,985</u>	<u>16,985</u>

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5. Analysis of expenditure by Charitable activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	650,957	221,200	872,157

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	743,098	111,308	854,406

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Mileage and travel	83,089	85,422
Other expenses	15,121	12,654
General assistance	19,624	18,029
Depreciation	16,903	18,465
Summer Educational Programme	73,227	48,153
Hall hire and rent	65,656	66,027
Field conferences	2,552	19,164
Printing, postage and stationery	5,908	5,879
Staff costs	262,776	268,435
Young Peoples Ministry, website expenses and professional development	12,851	13,680
Governance costs	15,250	14,190
Pension asset derecognition	78,000	173,000
	650,957	743,098

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5. Analysis of expenditure by Charitable activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Mileage and travel	-	43
Insurance	4,236	7,181
Other expenses	25,775	31,990
Summer Educational Programme	842	2,149
Printing, postage and stationery	576	378
Staff costs	4,831	7,816
Young Peoples Ministry, website expenses and professional development	8,175	7,388
Professional fees	171,262	50,028
Governance costs	5,503	4,335
	221,200	111,308

Professional fees have increased due to an employment tribunal.

6. Net income/(expenditure)

This is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	16,903	19,806
Operating lease rentals	-	270

7. Auditors' remuneration

The Auditor's remuneration comprises audit fees of £15,250 (2022: £14,190) and fees for other non-audit services of £3,850 (2022: £3,310). This includes fees for the Charity and its pension scheme.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

8. Staff costs

Staff costs were as follows:

	2023	2022
	£	£
Wages and salaries	236,632	242,271
Social security costs	22,698	25,225
Pension costs (note 20)	8,277	8,755
Pension asset derecognition (note 20)	78,000	173,000
	345,607	449,251

The average number of persons employed by the Charity during the year was as follows:

	2023	2022
	No.	No.
Persons employed	6	5
Stipendiary persons employed	6	7
	12	12

No employee received remuneration amounting to more than £60,000 in either year.

The Key Management Personnel of the Charity are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Charity. The Key Management Personnel of the Charity comprise the National Ministry Team. The total employee benefits of the Key Management Personnel of the Charity (including employer national insurance and employer pension) amounted to £212,900 (2022: £202,716).

9. Trustee's remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022: Nil).

During the year ended 31 December 2023, expenses totalling £5,417 were reimbursed or paid directly to 3 Trustees in respect of travel and subsistence (2022: £4,326 to 8 Trustees in respect of training, travel and subsistence).

Other related party transactions involving the Trustees are set out in note 22.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. Pension finance income

	2023 £	2022 £
Interest income on pension scheme assets	400,000	176,000
Interest on pension scheme liabilities	(366,000)	(169,000)
	<u>34,000</u>	<u>7,000</u>

11. Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2023	359,256	4,714	246,648	610,618
Additions	-	-	6,687	6,687
Disposals	-	(764)	(74,906)	(75,670)
At 31 December 2023	<u>359,256</u>	<u>3,950</u>	<u>178,429</u>	<u>541,635</u>
Depreciation				
At 1 January 2023	214,970	4,714	225,999	445,683
Charge for the year	11,597	-	5,306	16,903
On disposals	-	(764)	(74,906)	(75,670)
At 31 December 2023	<u>226,567</u>	<u>3,950</u>	<u>156,399</u>	<u>386,916</u>
Net book value				
At 31 December 2023	<u>132,689</u>	<u>-</u>	<u>22,030</u>	<u>154,719</u>
At 31 December 2022	<u>144,286</u>	<u>-</u>	<u>20,649</u>	<u>164,935</u>

Freehold land and buildings includes freehold land, the value of which is estimated by the Trustees as being £69,324 (2022: £69,324), which has not been depreciated.

The most recent valuation on 12 July 2022 indicated that the value of the property is £305,000, per the accounting policy 1.9 the property is held at cost less depreciation.

GRACE COMMUNION INTERNATIONAL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

12. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2023	1,663,414
Additions	24,332
Disposals	(23,147)
Revaluations	158,019
At 31 December 2023	1,822,618

The investments are invested in a number of investment funds including Clerical Medical Bonds, Canada Life Bonds, Newton Growth Fund, Epworth Cash Plus Fund and CCLA COIF Charities Ethical Investment Fund.

13. Debtors

	2023 £	2022 £
VAT repayable	-	6,070
Other debtors	24,372	17,831
Prepayments and accrued income	63,485	25,168
	87,857	49,069

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	-	300
Other taxation and social security	31,212	33,099
Other creditors	10,407	10,786
Accruals	58,617	50,888
	100,236	95,073

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Resources expended £	Gains/ (losses) £	Balance at 31 December 2023 £
Unrestricted funds					
Charitable fund	2,356,988	518,363	(982,157)	159,204	2,052,398
Pension reserve	-	34,000	111,000	(145,000)	-
	<u>2,356,988</u>	<u>552,363</u>	<u>(871,157)</u>	<u>14,204</u>	<u>2,052,398</u>
Restricted funds					
Restricted building fund	12,539	-	-	-	12,539
Restricted Africa fund	1,000	-	(1,000)	-	-
	<u>13,539</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>	<u>12,539</u>
Total of funds	<u><u>2,370,527</u></u>	<u><u>552,363</u></u>	<u><u>(872,157)</u></u>	<u><u>14,204</u></u>	<u><u>2,064,937</u></u>

Unrestricted funds

Charitable funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes.

Restricted funds

The restricted building fund represents the balance of unspent funds received towards property related expenditure.

The restricted Africa fund is funded by the Estate of I King and is to be used for work in Africa.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Resources expended £	Gains/ (losses) £	Balance at 31 December 2022 £
Unrestricted funds					
Charitable fund	2,555,913	580,296	(731,407)	(47,814)	2,356,988
Pension reserve	-	7,000	(123,000)	116,000	-
	<u>2,555,913</u>	<u>587,296</u>	<u>(854,407)</u>	<u>68,186</u>	<u>2,356,988</u>
Restricted funds					
Restricted building fund	12,539	-	-	-	12,539
Restricted Africa fund	1,000	-	-	-	1,000
	<u>13,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,539</u>
Total of funds	<u><u>2,569,452</u></u>	<u><u>587,296</u></u>	<u><u>(854,407)</u></u>	<u><u>68,186</u></u>	<u><u>2,370,527</u></u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	154,719	154,719
Fixed asset investments	-	1,822,618	1,822,618
Current assets	12,539	175,297	187,836
Current liabilities	-	(100,236)	(100,236)
Total 2023	<u><u>12,539</u></u>	<u><u>2,052,398</u></u>	<u><u>2,064,937</u></u>

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	164,935	164,935
Fixed asset investments	-	1,663,414	1,663,414
Current assets	13,539	623,712	637,251
Current liabilities	-	(95,073)	(95,073)
Total 2022	13,539	2,356,988	2,370,527

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(160,590)	(314,925)
Adjustments for:		
Depreciation charges (note 11)	16,903	18,465
(Losses)/gains on investments (note 12)	(158,019)	47,814
Interest and rents from investments (note 4)	(30,029)	(9,985)
Pension scheme finance income (note 10)	(34,000)	(7,000)
Decrease in net pension asset (note 20)	78,000	173,000
Pension scheme contributions by the employer (note 20)	(189,000)	(50,000)
Increase in debtors (note 13)	(38,788)	(3,440)
Increase in creditors (note 14)	5,163	4,396
Net cash used in operating activities	(510,360)	(141,675)

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

18. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	99,979	588,182
Total cash and cash equivalents	99,979	588,182

19. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	588,182	(488,203)	99,979
	588,182	(488,203)	99,979

20. Pension commitments

Defined contribution pension scheme

The Charity is part of the NEST defined contribution pension scheme.

Contributions to the pension scheme recognised as an expense in the year was £8,277 (2022: £8,555).

Defined benefit group stakeholder pension scheme

The Charity operates a defined benefit group stakeholder pension scheme for its employees, which is funded.

The pension cost and asset for the year ending 31 December 2023 are based on the advice of a professionally qualified actuary. The most recent formal valuation is at 31 December 2023.

The scheme was closed to new entrants with effect from 31 December 2002.

The defined contribution asset is allocated to unrestricted funds.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

20. Pension commitments (continued)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 December 2023	At 31 December 2022
	%	%
Discount rate	4.80	5.10
Future pension increases	2.50	2.60
Consumer price inflation	2.50	2.60
RPI inflation	3.40	3.50

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 December 2023	At 31 December 2022
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	21.6	22.3
- at 65 for a male aged 45 now	23.2	24.0
- for a female aged 65 now	24.8	25.4
- at 65 for a female aged 45 now	26.5	27.1

The Charity's share of the assets in the scheme was:

	Fair value at 31 December 2023	Fair value at 31 December 2022
	£	£
Equities (including property)	1,294,000	1,268,000
Bonds	659,000	583,000
Insured pensions	5,712,000	5,931,000
Cash	171,000	269,000
Total fair value of assets	7,836,000	8,051,000

The actual return on scheme assets was £210,000 gain (2022: £858,000 loss).

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

20. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2023	2022
	£	£
Interest income	400,000	176,000
Interest cost	(366,000)	(169,000)
Movement in derecognition of scheme asset	(78,000)	(173,000)
Contribution by employer	189,000	50,000
Total amount recognised in the Statement of Financial Activities	145,000	(116,000)

Movements in the present value of the defined benefit obligation were as follows:

	2023	2022
	£	£
Opening defined benefit obligation	9,269,529	9,269,529
Interest cost	366,000	169,000
Actuarial gains	(1,632,000)	(1,150,000)
Benefits paid	(614,000)	(606,000)
Closing defined benefit obligation	7,389,529	7,682,529

Movements in the fair value of the Charity's share of scheme assets were as follows:

	2023	2022
	£	£
Opening fair value of scheme assets	8,051,000	9,465,000
Interest income	400,000	176,000
Actuarial losses	(190,000)	(1,034,000)
Benefits paid	(614,000)	(606,000)
Contributions by the employer	189,000	50,000
Closing fair value of scheme assets	7,836,000	8,051,000

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Defined benefit obligation	(7,389,529)	(7,682,529)
Scheme assets	7,836,000	8,051,000
Derecognition of surplus	(639,000)	(561,000)
Provision for GMP equalisation	192,529	192,529
Provision carried forward	-	-

The actuarial reports in terms of the Defined Benefit Pension Scheme suggest a surplus of assets over liabilities of £639,000. In accordance with FRS102, a pension scheme asset is only recognised to the extent that it is recoverable. As the Charity cannot demonstrate that this asset is recoverable via a cash payment or reduction in future premiums it has not been recognised in the primary statements. A £Nil position has been reflected.

	2023 £	2022 £
Experience adjustments on scheme liabilities	1,632,000	1,150,000
Experience adjustments on scheme assets	(190,000)	(1,034,000)
Net Actuarial gains	1,442,000	116,000

The Charity does not expect to make any contributions to its Defined Benefit Pension Scheme in 2024.

21. Operating lease commitments

At 31 December 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	2,564	2,564
Later than 1 year and not later than 5 years	5,172	7,736
	7,736	10,300

22. Related party transactions

Other than expenses paid to the Trustees as per note 9, no related party transactions took place in the year ended 31 December 2023.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

23. Controlling party

The Charity is ultimately controlled by the Board of Trustees.

24. Company limited by guarantee

The Charity is a Company limited by guarantee and does not have share capital.

Grace Communion International

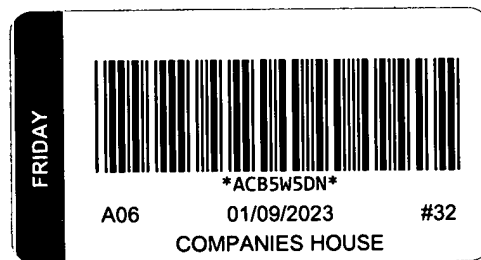
England & Wales - Charity number 311098

Accounts

Registered number: 00654913 (England and Wales)
Charity number: 311098 (England and Wales)
SC040008 (Scotland)

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

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**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2022**

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

James Lambu	(Chair)
Ray Walker	(Vice-Chair)
Gordon Brown	
Linda Halford	
Simon Williams	
Maureen Watson	
Hilary Buck	
James McIvor	
David Silcox	Retired 20 August 2022

National Ministry Leader

Gavin Henderson

Registered Charity Name

Grace Communion International

Names Also Known By

Worldwide Church of God
Summer Educational Programme (Summer camp only)

Registered Office and Operational Address

9 The Point
Rockingham Road
Market Harborough
Leicestershire
LE16 7QU

Company Registered Number

00654913 (England & Wales)

Charity Registered Number

311098 (England & Wales)
SC040008 (Scotland)

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Independent Auditor and Statutory Auditors

MHA Chartered Accountants
11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Bankers

Barclays Bank Plc
20 High St
Market Harborough
LE16 7NR

Solicitors

Edward Connor Solicitors
10 The Point
Market Harborough
Leicestershire
LE16 7QU

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees (who are also the directors of the Charity for the purposes of the Companies Act) present their Annual Report, together with the audited financial statements of Grace Communion International ("GCI UK", "we", the Charitable Company, the Church, the Charity) for the year ended 31 December 2022. The Trustees confirm that the Annual Report and financial statements of the Charitable Company comply with current statutory requirements, the requirements of the Charitable Company's governing document, the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), and the Companies Act 2006.

The Charity qualifies as small under S383 of the Companies Act 2006. A Strategic Report under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Vision and Mission Statement

The mission of the Charity is to proclaim the good news of Jesus Christ whenever and wherever it can. We take care of those whom God calls into our part of the body of his Church by inspiring and training them to serve and love others, reflecting the way in which Jesus Christ loves humanity. Thus, we seek to create a positive and accountable spiritual environment in which the Church lives and shares the Gospel of Jesus Christ in the UK, in the Republic of Ireland, and beyond.

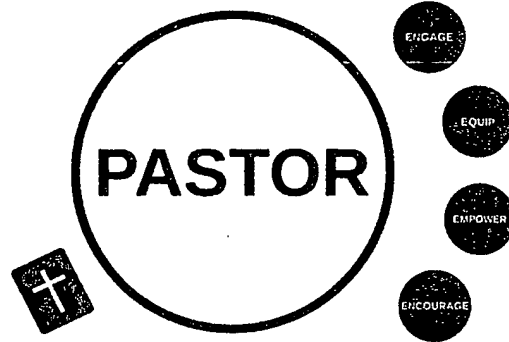
To help us achieve this vision of 'Healthy Church' and to fulfil our mission statement of 'Living and Sharing the Gospel', the Church has the following four avenues of focus:

Team-based, Pastor Led Avenue

"I always pray with joy because of your partnership in the gospel from the first day until now" (Philippians 1:4-5 NIVUK)

"Then Peter stood up with the Eleven, raised his voice and addressed the crowd" (Acts 2:14 NIVUK)

GCI UK believes that it is essential that Church leadership is team-based. To achieve this, leaders in GCI UK (both on a national and local level) are encouraged to practise the 4 E's: Engage, Equip, Empower and Encourage.



This means that our leaders seek to engage with the membership of the Church as they look to recognise and recruit new volunteers and potential leaders. These volunteers are then equipped by the leadership by investing time and/or resources in them, so that they can develop in their role and in turn multiply their skills within the congregation. Where leadership qualities are identified, potential leaders can then be empowered by creating space for them to actively serve in leadership and commissioning them for the role. Finally, these volunteers are encouraged by the leadership on an ongoing basis, thus affirming their suitability for the role and recognising their contribution to the Church.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Hope Avenue

"When they saw him, they worshipped him"
(Matthew 28:17 NIVUK)

"Every day they continued to meet together in the temple courts... praising God and enjoying the favour of all the people." (Acts 2:46-47 NIVUK)

Worship services are a key part of GCI UK's activities, and our aim is that all our worship services are centred on Jesus Christ and that they are inspiring, bringing hope to all those who attend. This involves intentional preparation for our weekly services and a focus on being an inclusive gathering that welcomes people of all ages, ethnicities, and backgrounds.

Worship



Faith Avenue

"And teaching them to obey everything I have commanded you." (Matthew 28:20 NIVUK)

"They devoted themselves to the apostles' teaching and to fellowship, to the breaking of bread and to prayer... They broke bread in their homes and ate together with glad and sincere hearts" (Acts 2:42, 46 NIVUK)

Discipleship is a key part of GCI UK's activities. The Church is committed to providing opportunities for people to strengthen their faith and to follow in the footsteps of Jesus Christ. This is done through Church events (both on a national and congregational level) that provide a chance for people to deepen their relationship with God and with one another, as well as by providing midweek events such as Bible studies and prayer meetings.

Discipleship



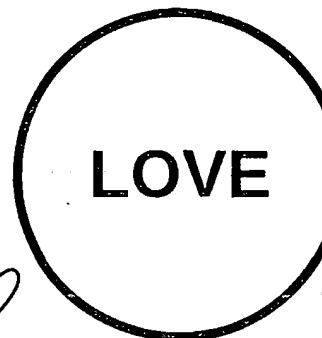
Love Avenue

"Therefore go and make disciples of all nations, baptising them in the name of the Father and of the Son and of the Holy Spirit" (Matthew 28:19 NIVUK)

"And the Lord added to their number daily those who were being saved." (Acts 2:47 NIVUK)

GCI UK believes that a "healthy Church" is one that is showing the love of Jesus Christ to the world. This means that one of the key objectives of the Church is engaging both the general public and the local community near where congregations meet, and proclaiming to them the Gospel of Jesus Christ through both our words and our actions.

Witness



GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Main Activities

As a Church our primary activity is to hold regular (weekly) Church services. These services are open to everyone, including the public, who are welcome to join in and participate with us in worship and to hear a message proclaiming Jesus Christ and his Kingdom, though we reserve the right to refuse entry where and when necessary. We have 19 congregations or fellowship groups that meet weekly, and a further 6 that meet on a less frequent basis throughout the UK and Ireland. Our services in these congregations provide a safe environment for people to celebrate the Church's beliefs.

Experienced local pastoral workers provide support for people through biblical counselling, and, in the case of ordained ministry, through performing ministerial duties such as weddings, funerals, and offering general assistance where possible, or where needs have been expressed. Ministers and approved pastoral workers are often asked to give biblical counsel and comfort to the sick and terminally ill, and to bereaved relatives and friends. Often such services are provided to people with little or no prior connection to the Church, and are provided free of charge.

We communicate regularly to our members and Church contacts using various different types of communication media. A member letter was sent out by post every month in 2022. In addition, every other month an in-house produced magazine called *Belong* was sent out in addition to the member letter. The *Belong* magazine helps to encourage our existing members by developing their faith through topical articles, and providing updates about our current projects and activities. There is no charge for the magazine or the member letter that members receive, which has a circulation of just under 700 members. The magazine is also available on our website.

We also produced a daily Bible study series in 2022, called *Word of Life* which is published on our website wordoflife.gracecom.church. The studies are freely available, and we also offer an email subscription allowing members and contacts to receive the study each day in their inbox. The project has a significant proportion of international readers.

Several of our congregations now also offer online access to Church services using both Zoom and Facebook Live. Additionally, we offer weekly sermons nationally via our YouTube channel: <https://www.youtube.com/c/GCIUKandIreland>, as well as offering live-streamed Bible studies every fortnight. All our online activities, both at a national and congregational level, can also be accessed via our website www.gracecom.church.

The Church also puts on conferences, holds celebration events and organises summer camps for children and teenagers. In 2022, celebration events were held in Larbert, Galway, Hemel Hempstead, Bridlington and Paignton, and a conference was held in Northampton. In addition, a twelve-day summer camp for teenagers, called SEP, was held in Morfa Bay and a three-day activity camp for younger children, called Adventure Camp, was held in Kettering.

GCI UK is a member organisation of the Evangelical Alliance and many of its congregations are members of the Churches Together network in their respective areas. GCI UK is keen on working with other Churches and organisations to further its mission of Living and Sharing the Gospel.

Volunteers

We are greatly indebted to all our volunteers for their dedication, time, and skills: in particular, to the over 100 voluntary pastoral workers, without whom the Church and Charity would not be able to provide its services.

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

We are also very grateful for those who helped write, promote, and produce our magazine *Belong*, and also for those involved in our daily Bible study series *Word of Life*.

Finally, we are very appreciative of those who work with our Youth, particularly since this year was the first time since 2019 that we were able to hold SEP.

Public Benefit

GCI UK, as outlined above, carries out numerous activities to achieve its aims and objectives. The Trustees consider that these activities provide a public benefit both in terms of the redemptive work of the Church, as well as the social outreach the Church engages in on regional, national, and international levels. They have considered the guidance issued by both the Charity Commission and the Office of the Scottish Charity Regulator on Public Benefit in this regard. In particular the Trustees would like to emphasise the Church's desire to be inclusive, where we strive to make the services and events that we run open to all, and endeavour not to present a financial barrier to attendance and participation. Our online services have been particularly helpful in helping our services be more inclusive of those who are unable to attend due to health, not being near one of our congregations, or other reasons.

Some notable examples of how the Church has organised activities in the public benefit include the Sosban Soup Kitchen in Llanelli, which provides food (and other essentials) every Sunday as part of the congregations weekly service, and to make it a Christmas Day lunch that was held in Market Harborough, for those in the community who did not have plans on Christmas Day. In addition to these, many of our congregations collect food donations to give to local foodbanks, and organised celebrations throughout the year that were open to the public (e.g. special events for the Queen's Platinum Jubilee).

ACHIEVEMENTS AND PERFORMANCE

Achievements and Performance Summary

The global Coronavirus pandemic was still having a significant impact on our Church in 2022, particularly at the start of the year. We are pleased that during the course of the year a number of our congregations were able to hold their first in-person services since March 2020. The Church has continued to provide national services via YouTube and Zoom. For those without internet access, a number of our congregations arranged to send out CDs of sermons.

Fortnightly Bible studies took place via YouTube, which included a Bible study series called "We Believe" that covers the core beliefs of the Christian faith. This is a two part series and a free workbook for part 1 had been distributed to our members and contacts in 2021, so they could follow along and make their own notes. In October 2022, we sent out the follow up workbook for part 2 for the "We Believe" series to our members and contacts.

The Church also sponsored several of our volunteers and employees in the area of theological education with Grace Communion Seminary, our accredited denominational seminary in the USA (www.gcs.edu), and Ambassador College of Christian Ministry, our denominational seminary in Australia (www.ambascol.org).

GRACE COMMUNION INTERNATIONAL
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TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

In 2022, we were able to hold our summer camp for teenagers, called SEP, for the first time since 2019 (it was cancelled in 2020 and 2021 due to the Coronavirus pandemic). The camp was held in Morfa Bay in Wales and ran for twelve days. We were pleased to be able to welcome 57 campers, 10 mini-campers and 24 staff. The camp featured a number of activities including daily worship, Christian living, leatherworking, a ceilidh, paddle-boarding, a mud assault course, caving and coastering.

We were also pleased to be able to go ahead with our summer camp for children aged 7-13, called Adventure Camp. Adventure camp welcomed over 35 campers, 10 mini-campers and 30 staff in 2022 to the Sir John Lowther Scouting centre in Kettering for the August Bank holiday weekend. The camp ran a number of activities such as daily worship, go-karting, tunnelling, archery, firecraft and tie-dying.

Celebration events were held in Larbert (5-7 May 2022), Galway (29 June - 3 July 2022), Bridlington (9-12 September 2022) and Paignton (1-9 October 2022) and the themes for these celebrations were based on the denomination's theme of "Compelled by Love". In Paignton, our members and contacts were able to visit and support a local foodbank, and a homeless Charity.

Additionally, two new celebration events were held in 2022. A new Southern Retreat was held in Felden Lodge in Hemel Hempstead over the Easter Weekend (14-16 April 2022). This retreat was an opportunity to slow down and take some time to engage in prayer, personal reflection and devotion with like-minded Christians. Our mini-celebration in Tullamore, 24-25 September 2022 provided another opportunity for our scattered members and contacts to meet up in the Republic of Ireland.

These events featured both traditional worship services as well as seminars and fellowship events. The combined attendance over these events was over 150 members.

In 2022, we were able to hold our first in-person denominational conference since 2019. The conference was held in Northampton on the 18-19 of June. The agenda for the conference was "Healthy Church" and explored how we can ensure the practice of our congregations matches our theology. The conference featured Dr Greg Williams, the GCI HQ denominational President as the guest speaker and attendees got a free copy of the book "Before You Share Your Faith: five ways to be evangelism ready" by Matt Smethurst.

The Church also continued to run its Life Club project, which teaches public speaking skills to all age groups. Geoff Sole, who runs the project, continues to advise GCI congregations around the world with respect to running Life Clubs, and has facilitated getting the Life Club manual translated into a number of languages. In 2022 regular International Life Clubs took place on Zoom, and featured speakers from Africa, Europe and North America.

Sadly in 2022, the decision was made to close or combine a number of our smaller fellowship groups following the Coronavirus pandemic. This was primarily a result of the diminished size of the congregations. Where we have had to close a congregation, we have encouraged our members and contacts there to access our online resources, and stay on our mailing lists. It is our sincere hope that at some point in the future we will be able to re-open congregations in these areas.

Administration and Management

In 2022, the employment of Rachel Montgomery, who had been employed as Communication Coordinator for the Church came to an end. We would like to thank Rachel Montgomery for the work she did for the Church in the time since her employment started in October 2020.

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

During the year, the Management and Board of Trustees dealt with a significant number of complaints that were raised by two members of the Church. While the grievance was not upheld, the management and the Board of Trustees began a review in the second half of the year on how the process was handled, and what lessons could be learned for the future. As part of this process, the Board of Trustees is in the process of actively reviewing all of its policies.

The Regional Pastor's position for Wales, Central and Northern England, currently occupied by Anthony Dady, was renewed for an additional year in August 2022 before being made permanent in January 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Name

The registered name of the Charity was changed from Worldwide Church of God to Grace Communion International on the 29 June 2022. Grace Communion International had previously been used as a trading name by the Charity since 2009 (when the name began to be used internationally by the denomination).

Constitution

Grace Communion International was incorporated as a Company limited by guarantee in 1960 and registered as a Charity in 1963. The Charity is governed by Articles of Association that were last updated on the 20 August 2022. This was an update made to reflect the new name of the Charity following the name being registered with both Companies House and the Charity Commission.

Method of Appointment or election of Trustees and Training Policies

As set out in the Articles of Association there are a minimum of five Trustees and a maximum of eleven. As of 31 December 2022 there were eight Trustees. Trustees are elected in accordance with the Articles of Association for a term of three years and may serve, if so elected, for three terms, before normally being required to step down for at least one year. Trustees are required to abide by the Code of Ethics for Elders, and the Grace Communion International Statement of Beliefs as published by Grace Communion International USA (GCI HQ) based in Charlotte, USA. The Board of Trustees considers Diversity, Equality and Inclusion when selecting Trustees, and aims to have a Board that not only has a good mix of skills and experience, but also reflects the diversity of our members and the people we are serving as a Charity in the United Kingdom and Ireland.

All new Trustees are given copies of the Memorandum and Articles of Association. Induction is provided in the form of copies of previous minutes and copies of the latest Governance & Leadership magazine, and Charity Commission News. Each new Trustee is also provided with a copy of the guidance advice for new Trustees issued by the Charity Commission, and Office of the Scottish Charity Regulator.

Trustees are also kept up to date with the availability of courses/seminars on Trustees' responsibilities (funded by the Charity). In 2022, three Trustees attended trustee training courses.

Trustee Benefits

GCI UK does not give remuneration to Trustees for their role as Trustee. It does, however, help cover the costs of their travel and the training required or recommended for their duties as Trustees.

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

As permitted by the Articles of Association, each Trustee has the benefit of an indemnity, which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006.

Trustee Changes in 2022

In August 2021, the Board of Trustees agreed to extend the term of David Silcox for an additional year to allow him to help finalise the overhaul to the Church's Articles of Association (in which he had been heavily involved). During this time David Silcox served as Chair of the Charity. James Lambu was appointed Chair when David Silcox stepped down as a Trustee in August 2022. The Board is greatly appreciative of David Silcox's contribution to the Charity over his time as a Trustee and in particular for his service as the Chair of the Board of Trustees.

Organisational Structure and Decision Making

GCI UK is governed by a Board of Trustees, which meets at least four times a year to:

- agree the policy of the Charity;
- determine strategic direction and objectives;
- ratify major decisions on and monitor the use of finances; and
- review management reports.

Board Committees

Sub-committees, if necessary, are appointed on an ad-hoc basis, and disbanded when they have completed the task for which they are formed. In 2022 there were three sub-committees: the National Ministry Leader's remuneration sub-committee, the National Ministry Leader's appraisal sub-committee, and an Appeal sub-committee setup to hear an appeal relating to a grievance.

Worldwide Church of God Charity

In 2022, GCI UK became the sole member of the registered Company and Charity Worldwide Church of God (Company number: 14038669, registered in England and Wales).

International Connections

GCI UK operates as an organisation associated with GCI HQ. Although capable of independent operation, GCI UK has willingly subordinated itself in doctrinal matters to the GCI HQ insofar as it does not bring our Church and Charity into conflict with UK laws.

Additionally, we have a working relationship with various Grace Communion International organisations overseas. In October 2022, after approval by the Board of Trustees, Gavin Henderson was commissioned as GCI HQ's Superintendent for Europe. This is a non-salaried position, though the Board of Trustees has agreed to help support some of the travel expenses associated with the role, and to donate some of Gavin Henderson's employed time as NML to the role. The Board has agreed to regularly review this arrangement to ensure it is in the best interest of the Charity.

As part of this role the NML travelled to Paris in October, where he gave presentations to the leadership of the GCI congregations in France.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Operational management

The general management and strategic planning was delegated to the NML within the guidelines of the Board's Mission Statement, and within the vision of the denomination. The NML reported regularly to the Board and to GCI HQ, and was supported by his staff with whom he consulted regularly.

Management remuneration

The NML's salary was determined by the Board based on a recommendation of a sub-committee, consisting of Ray Walker, Simon Williams and Hilary Buck. The salaries of staff, set by the NML were seen and approved by the Board of Trustees at the November 2021 Board meeting, where the budget for 2022 was approved. GCI UK seeks to ensure that its staff are paid appropriately, but not excessively.

FINANCIAL REVIEW

GCI UK remains in good financial health with significant reserves. In 2022, the Church's budgeted income and expenditure was £525,000 and £650,000 respectively. Income for the year was significantly above budget in part due to a legacy that was received during the year. Expenditure was also above budget in 2022, though to a lesser extent, primarily due to the Church incurring increased legal costs.

Compared to 2021, the income of the Church was significantly lower. This was in part due to less investment income with the closure of the Church's Baring's Targeted Return Fund Investment in 2021, and a drop in donations received in 2022. The reason for this drop in income is the increasing age profile of the Church, which means that income from members who retire, or who sadly pass away is not being replaced by income from new members, as well as the cost-of-living crisis that has occurred in 2022. The Church has also changed the dates when key celebrations are held, which may also have had an impact on the Church's donations.

2022 saw a dramatic increase in expenditure compared to 2021, but this was not unexpected. The Church's expenditure in 2020 and 2021 was much lower than normal as a result of the coronavirus pandemic (as this meant that we were not paying hall hire, or travel costs during this period, which is a significant proportion of our expenditure). Expenditure was budgeted above expected income in 2022 as we are coming out of the Coronavirus pandemic. This was a key time for the Church, and so the Board of Trustees had agreed in 2022 to fund a temporary increase in expenditure from the Church's reserves.

Reserves Policy

The Board of Trustees has established that the level of reserves in cash or cash equivalent should be at least six months' operating expenses (for 2022 this was determined to be £290,000). Following Charity Commission guidance any pension scheme surplus is not reflected in the level of reserves, as they do not represent an immediately realisable asset.

At 31 December 2022 the total funds comprised:

Restricted	£13,539
Unrestricted: other	<u>£2,356,988</u>
Total	<u>£2,370,527</u>

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)

TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

The Charity's reserves held in 2022 were significantly above the six month's operating expenses. For a number of years the Charity has operated a policy of not budgeting for legacies (which, due to the size of our organisation are not easily predictable). Instead, the Board of Trustees has determined that funds above budget should be kept in reserve to help provide an additional revenue stream for the Charity in the future.

Investment Powers and Policy

GCI UK's constitution allows the Board of Trustees to invest money not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

The Board of Trustees, having regard to the liquidity requirements of operating GCI UK and the reserves policy set out above, kept funds in 2022 in Newton's 'Growth and Investment fund for Charities', as well as in Clerical Medical and Canada Life investment vehicles, which had been received as part of a legacy in a prior year.

In December 2022, the Charity began the process of changing the Church's investments and reserves into funds that have a greater alignment with the Church's ethical position. These funds are to be invested in a 2:1 ratio between providing capital growth and income. As a result, in December 2022, £450,000 was invested into Epworth's Global Equity fund, £200,000 was invested into Epworth's Corporate bond fund, and £450,000 was invested into CCLA's COIF Charities Ethical Investment fund. Further investments will be made in 2023 when the existing funds have been closed with Canada Life, Clerical Medical and Newton.

The Church's investments help ensure the long-term viability of the Church in the light of the current financial pressures facing the Charity, as well as providing options for strategic capital investments in the future (e.g. purchasing or building a new Church hall).

Fundraising

Most of the income for the Church comes from donations as opposed to fundraising. While the Church encourages members to support the Church financially, the Church stresses that members should only give as they are able. In 2022, a regular member letter was sent out in a mailshot. Each mailshot contained a donation envelope in case recipients wanted to help support the Church financially. In addition, offerings were taken up at our celebration events and in some of our congregations during the year.

The Church complies with the law as it applies to charities and fundraising, and in 2022 did not use third party or professional fundraisers, and received no complaints in relation to fundraising. Due to the very limited nature of the Church's active fundraising, the Church has not signed up to the code of fundraising practice — however, the Board keeps its position under review, and is keen that the Church follows best fundraising practices. No specific fundraising activities are currently planned for 2023.

Indigenous Income

The income of GCI UK is predominantly derived from donations from its congregational members in Great Britain and Eire with occasional contributions from non-members. As in previous years, full advantage has been taken of Gift Aid tax relief on eligible donations. Additionally, a small proportion of the Charity's income comes from income arising from investment returns.

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Pension Scheme

The Church operates a defined benefit pension scheme called the Pension and Life Assurance Plan of the Worldwide Church of God (Worldwide Church of God is the former name of Grace Communion International). The scheme has been closed to new members since 2004. The last active member of the scheme retired in 2015, leaving only deferred members as non-insured liabilities. The pension scheme has been in deficit since the 31 December 2018 valuation, and a recovery plan has been in place since 2020. The Church paid £49,800 in 2022 towards this recovery plan. The recovery plan was updated in March 2023 following the 31 December 2021 valuation. Under the updated plan the pension scheme will cover the costs to determine the impact of Guaranteed Minimum Pension equalisation on the scheme, and the Church will make one final deficit reduction contribution in 2023 of £188,500 to eliminate the deficit in the pension scheme.

Fiscal Responsibility

The Board of Trustees normally requires that the executive of GCI UK operate a balanced budget, based on the anticipated Income and Expenditure for the year. In 2021, the Board agreed that, given the Church's reserves, the Church could operate the next couple of years with expenditure in excess of income (within limits). This would allow the Church to invest in its future at a key moment for the Charity. For 2022, the Charity budgeted to spend £125,000 more than expected income, and the Board was pleased that the actual operating deficit for the year was less than this. The Church has agreed a similar budget, with expected expenditure in excess of expected income, in 2023.

The Board had determined that should income be in excess of expenditure (e.g. in the case of receipt of exceptional donations or legacies), these funds can be assigned to projects suggested by the NML to the Board of Trustees. Until then any funds in excess of budget should be invested to provide additional revenue for the Church in the future. Due to their uncertain nature, the Church does not budget for legacy income.

Risk management and internal controls

The Trustees ensure that major risks to which GCI UK is exposed are reviewed and assessed, and that systems are in place to mitigate those risks (e.g. Safeguarding policies and procedures). The Trustees have agreed a risk management policy for which they have overall responsibility. Operational responsibility was delegated by the Trustees to the National Ministry Leader and his staff. A risk register identifies risks, and assigns specific actions and responsibilities for mitigating the risks. The risk management process is on-going. The Trustees consider that a major risk is one that has a high likelihood of occurring and would, if it occurred, have a severe impact on operational performance. The National Ministry Leader reported regularly to the Board of Trustees on major risks and how they are being managed.

The Trustees expect all staff and volunteers when engaging in any activity on behalf of GCI UK to consider the risks posed, and to act in accordance with the risk management policy and procedure. All increases to on-going or new activities are risk assessed prior to being introduced or undertaken.

The Trustees want to be risk alert, but do not wish to be averse to taking reasonable risks as part of the Board's strategy to achieve the objectives of GCI UK. All key policies within the organisation are reviewed at regular intervals, and updated as appropriate to reflect legislative changes and the latest developments in this area. In particular, new Covid risk assessments were performed for all congregations that resumed physical services after returning from the hiatus caused by the pandemic.

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Board has identified four major risks to the Church. The first is the age of its membership. The increasing age of our volunteers means that some of our congregations are having to meet less frequently, and the increasing age of our members also has an impact on our finances as our regular donors retire etc. Another major risk to the Church is the Church's pension scheme; the full impact of Covid and the current cost of living crisis is not yet clear on the Pension scheme. The pension scheme was closed to new members in 2004, no longer has active members (only pensioners and deferred pensioners)— however, due to the size of the pension fund compared to our annual income, this remains a significant concern. The third risk facing the Charity involves the difficulty that has been experienced in returning to physical services after the prolonged absence caused by Covid. The leadership has encouraged the continuation of local Zoom meetings/services where possible and continued with weekly YouTube broadcasts that were started in the Pandemic to help combat this. Finally, the last risk facing the Church is the loss of members due to doctrinal divisions (and resultant changes to liturgical practice) that are a legacy of the Church's past teachings. The Church is committed to handling these divisions in a loving and caring way to try to mitigate this risk.

Third party indemnity insurance

The Church pays third party liability insurance in respect of the Trustees and Senior Management.

PLANS FOR THE FUTURE

At the beginning of 2023, we requested that all of our congregations move to Sunday as their main day of worship with a target date for this transition of the end of 2024. This change will affect the majority of our congregations, which still meet on Saturday for historical reasons. This will have a significant impact on the Church, and it will help bring our congregations into alignment with the denomination internationally.

This transition carries with it the risk of some members who disagree with this change leaving the Church, and therefore a potential drop in income. However, after much prayer, planning and discussion of the risk, the Management and the Board of Trustees feel that this decision is in the long term best interest of the Charity.

As in 2022, the Church is planning to hold celebrations in Larbert, Galway, Tullamore, Hemel Hempstead, Bridlington and Paignton. The decision has also been made to hold a longer denominational conference every two years instead of a shorter one every year. This means the next denominational conference will be in 2024.

Additionally, the Church is hoping to start a new Church plant in Market Harborough, and plans are underway to hold a series of events in 2023 to help create an awareness of our presence in the town, and enthusiasm for the Church plant.

The Church will once again in 2023 hold summer camps in Morfa Bay and Kettering, and we are currently investigating new possible locations for SEP for 2024, and the possibility of launching a new Adventure Camp in a different location.

From an administrative perspective, the Board of Trustees will continue with its review of the Church's policies, and as part of this the Management is planning to create a Volunteers' handbook in 2023, which gathers together in one place all the relevant policies for our volunteers. The Church already has a staff handbook for employees. Work has also been ongoing on a new Church website, which will also be launched in 2023.

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Additionally, the Church plans to continue to explore the four avenues of "healthy Church" as outlined in the objectives section of this report. With this in mind the Regional Pastors will continue to work with their developing leaders in their regions and provide relevant training and instruction to our leaders and volunteers.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Charity does not hold any such funds on behalf of any other organisations.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved confirm that:

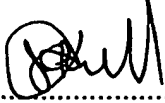
- so far as that Trustee is aware, there is no relevant audit information of which the Charitable Company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

Following a rebranding exercise on 15 May 2023 the trading name of the Charitable Company's independent auditor changed from MHA MacIntyre Hudson to MHA. A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

**GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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



.....
James Lambu
Chair of the Board of Trustees

Date: 26 AUG-2023

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL

Opinion

We have audited the financial statements of Grace Communion International (the 'Charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 Charitable Company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006, the Charities and Trustee investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Charitable Company's ability to continue as a going concern for a period of at least twelve 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.

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company 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 Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the Trustees (who are also the Directors of the Charity for the purposes of company law) 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 the Trustees 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 Charitable Company'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44 (1) (C) of the Charities and Trustees Investment (Scotland) Act 2005 and the Companies Act 2006, and report in accordance with regulations made within those Acts.

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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indications of fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing Financial Statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial

GRACE COMMUNION INTERNATIONAL

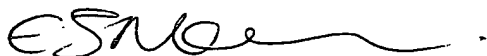
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(CONTINUED)**

Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Charity's Trustees as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Charitable Company's Trustees those matters we are required to state to them in an Auditors' 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 Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Elizabeth Newell BA (Hons) FCA (Senior Statutory Auditor)

for and on behalf of
MHA (Statutory Auditors)
Leicester, United Kingdom

Date: 31/8/2023

MHA is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	As restated Total funds 2021 £
Income from:					
Donations and legacies	2	-	570,311	570,311	597,629
Investments	3	-	16,985	16,985	34,750
Other income	4	-	-	-	225
Total income		-	587,296	587,296	632,604
Expenditure on:					
Charitable activities - (including pension 2022 £181,755 and 2021 £111,446)	5	-	785,854	785,854	596,055
Governance costs	6	-	68,553	68,553	60,056
Total expenditure		-	854,407	854,407	656,111
Net (losses)/gains on investments	13	-	(47,814)	(47,814)	89,157
Net movement in funds before other recognised gains		-	(314,925)	(314,925)	65,650
Other recognised gains:					
Actuarial gains on defined benefit pension schemes	21	-	116,000	116,000	100,000
Net movement in funds		-	(198,925)	(198,925)	165,650
Reconciliation of funds:					
Total funds brought forward		13,539	2,555,913	2,569,452	2,403,802
Net movement in funds		-	(198,925)	(198,925)	165,650
Total funds carried forward	17	13,539	2,356,988	2,370,527	2,569,452

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 45 form part of these financial statements.

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00654913 (England & Wales)

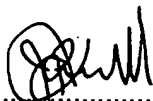
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Tangible assets	12	164,935	180,494
Investments	13	1,663,414	611,228
		1,828,349	791,722
Current assets			
Debtors	14	49,069	45,629
Cash at bank and in hand	20	588,182	1,822,778
		637,251	1,868,407
Creditors: amounts falling due within one year	15	(95,073)	(90,677)
Net current assets		542,178	1,777,730
Total net assets		2,370,527	2,569,452
Charity funds			
Restricted funds	17	13,539	13,539
Unrestricted funds	17	2,356,988	2,555,913
Total funds		2,370,527	2,569,452

GRACE COMMUNION INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00654913 (England & Wales)

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
James Lambu
Chair of the Board of Trustees

Date: 26-AUG-2023

The notes on pages 24 to 45 form part of these financial statements.

GRACE COMMUNION INTERNATIONAL**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	19	(141,675)	159,066
Cash flows from investing activities			
Dividends, interests and rents from investments		9,985	30,750
Purchase of tangible fixed assets		(2,906)	(1,159)
Gains on investments		-	902,909
Purchase of investments		(1,100,000)	-
Net cash (used in)/provided by investing activities		(1,092,921)	932,500
Change in cash and cash equivalents in the year		(1,234,596)	1,091,566
Cash and cash equivalents at the beginning of the year		1,822,778	731,212
Cash and cash equivalents at the end of the year	20	588,182	1,822,778

The notes on pages 24 to 45 form part of these financial statements

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

Grace Communion International is an incorporated Charity registered with the Charity Commission for England and Wales registration number 311098, and with OSCR in Scotland registration number SC040008. The Company is registered in the UK, registration number 00654913.

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Grace Communion International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Charity's functional and presentational currency is British Pound Sterling (£) and is rounded to the nearest pound (£).

The following principal accounting policies have been applied.

1.2 Company status

The Charity is a company limited by guarantee. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £7 per member of the Charity.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are included in the Trustees Report on page 3.

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Collections and donations are accounted for when they are received.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.3 Income (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Direct costs are related support costs associated with preaching, pastoral care and the production and distribution of Charity literature. These are separately disclosed in the Statement of Financial Activities as Charitable Activities.

Governance costs are those incurred in connection with administration of the Charitable Company and compliance with constitutional and statutory requirements.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

1.5 Fund accounting

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 and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Historically the Charity has taught the principle of tithing (which is the donation of ten percent of one's net income for the Charity's unrestricted use). Most of the Charity revenue consists of such unrestricted donations. Donations are used for the publishing of Charity literature, assistance for members who are more in need, operating expenses of the annual Church festivals, ministerial activities and maintenance of buildings, as seems appropriate as seems in line with our charitable purposes. Restricted funds comprise amounts donated for specific objectives. They are expended in furtherance of certain aspects of the Charity. In the Trustees' opinion, at 31 December 2022, all donations received for specific purposes had been expended in accordance with, and in furtherance of, their intended purposes with the exception of of the restricted funds not yet utilised as detailed in note 16.

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.6 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

This consideration has taken into account the expected impact of the current economic environment on the Charity, as far as it can be determined, and the Trustees remain satisfied that the going concern principle remains appropriate.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.9 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies (continued)

1.10 Tangible fixed assets and depreciation (continued)

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold buildings	- 4% on a straight-line basis
Motor vehicles	- 25% on a straight-line basis
Fixture and fittings	- 10% and 20% on a straight-line basis

Freehold land is not depreciated.

Profit on disposal of fixed assets are included in net expenditure for the year.

1.11 Investments

Investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. The Statement of Financial Activities includes the unrealised and realised gains and losses arising on revaluations and disposals throughout the year.

Investments held as fixed assets are shown at fair value.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Cash at bank and in hand

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

1.14 Creditors and provisions

Creditors and provisions are recognised where the Company has a present obligation resulting 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 normally recognised at their settlement amount after allowing for any trade discounts due.

GRACE COMMUNION INTERNATIONAL

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies (continued)

1.15 Pensions

Defined Contribution

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Defined Benefit

The Charity operates a defined benefit, fully insured pension scheme administered externally and the pension charge is based on a full actuarial valuation dated 31 March 2023 for the year ended 31 December 2022.

The scheme was closed to new entrants from 31 December 2002. Payments made to the funds are charged annually in these financial statements. The funds are actuarially valued on a regular basis by a qualified actuary, the rates of contributions payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates.

The amount charged to the Statement of Financial Activities is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations to the cost.

Any difference between amounts charged to the Statement of Financial Activities and contributions paid to the independent pension scheme is shown as a liability or asset at the balance sheet date. Further information on pension costs is shown in note 20.

A pension scheme asset is recognised in the Balance Sheet under FRS 102 to the extent that the Charity is able to recover the surplus through refunds or through a reduction in future contributions to the scheme.

1.16 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.17 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies (continued)

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

1) Defined benefit pension schemes valuation

The FRS 102 valuation for the Charitable Company's Defined Benefit Pension Schemes is recognised in the Balance Sheet as an asset. This is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets. This is sensitive to change in the assumptions made by the actuaries who have been appointed to value the schemes. See note 20 for the assumptions made for the pension commitments, and note 1.15 for the pensions accounting policies.

2) Depreciation of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 12 for the carrying amount of the tangible fixed assets and note 1.10 for the useful economic lives for each class of assets.

2. Donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	473,411	473,411
Legacies	33,148	33,148
Gift aid	63,752	63,752
Total 2022	570,311	570,311

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Donations and legacies (continued)

	Unrestricted funds 2021 £	Total funds 2021 £
Donations	506,292	506,292
Legacies	15,253	15,253
Gift aid	76,084	76,084
Total 2021	<u>597,629</u>	<u>597,629</u>

3. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	9,985	9,985
Pension income (note 11)	7,000	7,000
Total 2022	<u>16,985</u>	<u>16,985</u>

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	30,750	30,750
Pension income (note 11)	4,000	4,000
Total 2021	<u>34,750</u>	<u>34,750</u>

GRACE COMMUNION INTERNATIONAL

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Other incoming resources

There were £Nil incoming resources during 2022.

	Unrestricted funds 2021 £	Total funds 2021 £
Other income	225	225

5. Charitable activities

	Unrestricted funds 2022 £	Total 2022 £
Mileage and travel	85,465	85,465
Insurance	7,181	7,181
Other expenses	44,644	44,644
General assistance	18,029	18,029
Depreciation	18,465	18,465
Summer Educational Programme	50,303	50,303
Hall hire and rent	66,027	66,027
Field conferences	19,164	19,164
Profit on disposal	6,257	6,257
Wages and salaries	242,271	242,271
National insurance	25,225	25,225
Pension cost	181,755	181,755
Young Peoples Ministry, website expenses and professional development	21,068	21,068
Total 2022	785,854	785,854

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NOTES TO THE FINANCIAL STATEMENTS
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5. Charitable activities (continued)

	Unrestricted funds 2021 £	Total 2021 £
Mileage and travel	41,261	41,261
Insurance	6,591	6,591
Other expenses	67,410	67,410
General assistance	16,150	16,150
Depreciation	20,176	20,176
Summer Educational Programme	10,395	10,395
Hall hire and rent	39,373	39,373
Field conferences	3,499	3,499
Profit on disposal	9,039	9,039
Wages and salaries	230,014	230,014
National insurance	21,225	21,225
Pension cost	111,446	111,446
Young Peoples Ministry, website expenses and professional development	19,476	19,476
Total 2021	<u>596,055</u>	<u>596,055</u>

6. Governance costs

	Unrestricted funds 2022 £	Total funds 2022 £
Auditors' remuneration	14,190	14,190
Professional fees	50,028	50,028
Board expenses	4,335	4,335
Total 2022	<u>68,553</u>	<u>68,553</u>

GRACE COMMUNION INTERNATIONAL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Governance costs (continued)

	Unrestricted funds 2021 £	Total funds 2021 £
Auditors' remuneration	16,150	16,150
Professional fees	39,158	39,158
Board expenses	4,748	4,748
Total 2021	<u>60,056</u>	<u>60,056</u>

7. Net income/(expenditure)

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	19,806	20,176
Operating lease rentals	270	1,330
	<u>19,806</u>	<u>21,506</u>

8. Auditors' remuneration

The Auditor's remuneration comprises audit fees of £14,190 (2021: £16,150) and fees for other non-audit services of £3,310 (2021: £3,730). This includes fees for the Charity and its pension scheme.

9. Staff costs

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	242,271	230,014
Employers national insurance	25,225	21,225
Pension costs (note 20)	181,755	(81,083)
Provision for GMP equalisation (note 20)	-	192,529
	<u>449,251</u>	<u>362,685</u>

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Persons employed	5	6
Stipendiary persons employed	7	7
	<u>12</u>	<u>13</u>

No employee received remuneration amounting to more than £60,000 in either year.

The Key Management Personnel of the Charity are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Charity. The Key Management Personnel of the Charity comprise the National Ministry Team. The total employee benefits of the Key Management Personnel of the Charity (including employer national insurance and employer pension) amounted to £202,716 (2021: £157,294).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021: £Nil).

During the year ended 31 December 2022, expenses totalling £4,326 were reimbursed or paid directly to 8 Trustees in respect of training, travel and subsistence (2021: £3,089 to 8 Trustees in respect of travel and subsistence).

Other related party transactions involving the Trustees are set out in note 22.

11. Pension finance income

	2022 £	2021 £
Interest income on pension scheme assets	176,000	129,000
Interest on pension scheme liabilities	(169,000)	(125,000)
	<u>7,000</u>	<u>4,000</u>

GRACE COMMUNION INTERNATIONAL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 January 2022	359,256	4,714	243,742	607,712
Additions	-	-	2,906	2,906
At 31 December 2022	<u>359,256</u>	<u>4,714</u>	<u>246,648</u>	<u>610,618</u>
Depreciation				
At 1 January 2022	203,373	4,714	219,131	427,218
Charge for the year	11,597	-	6,868	18,465
At 31 December 2022	<u>214,970</u>	<u>4,714</u>	<u>225,999</u>	<u>445,683</u>
Net book value				
At 31 December 2022	<u>144,286</u>	<u>-</u>	<u>20,649</u>	<u>164,935</u>
At 31 December 2021	<u>155,883</u>	<u>-</u>	<u>24,611</u>	<u>180,494</u>

Freehold land and buildings includes freehold land, the value of which is estimated by the Trustees as being £69,324 (2021: £69,324), which has not been depreciated.

The most recent valuation on 12 July 2022 indicated that the value of the property is £305,000.

GRACE COMMUNION INTERNATIONAL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	611,228
Additions	1,100,000
Revaluations	(47,814)
At 31 December 2022	<u>1,663,414</u>

The investments are invested in a number of investment funds including Clerical Medical Bonds, Canada Life Bonds, Newton Growth Fund, Epworth Cash Plus Fund and CCLA COIF Charities Ethical Investment Fund.

14. Debtors

	2022 £	2021 £
VAT repayable	6,070	351
Other debtors	17,831	16,452
Prepayments and accrued income	25,168	28,826
	<u>49,069</u>	<u>45,629</u>

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	300	14,862
Other taxation and social security	33,099	35,487
Other creditors	10,786	10,414
Accruals	50,888	29,914
	<u>95,073</u>	<u>90,677</u>

GRACE COMMUNION INTERNATIONAL

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. Prior year adjustments

In accordance with FRS 102, the net pension asset in relation to the defined benefit pension scheme can only be recognised in the financial statements where an unconditional right to a refund exists, or to the extent that the Charity is benefiting from a reduction in the estimated future costs for the remaining active members of the scheme. The Charity has therefore derecognised the defined benefit pension scheme asset that was previously recognised. The accounts have been restated for the reduction in the pension reserve at 31 December 2021 by £195,471. The opening pension reserves at 1 January 2021 has been reduced by £284,000 and movement in the pension scheme asset has resulted in a reduction of £88,529 in pension costs which is recognised in the Statement of Financial Activities

GRACE COMMUNION INTERNATIONAL

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Resources expended £	Gains/ (losses) £	Balance at 31 December 2022 £
Unrestricted funds					
Charitable fund	2,555,913	580,296	(731,407)	(47,814)	2,356,988
Pension reserve (note 20)	-	7,000	(123,000)	116,000	-
	<u>2,555,913</u>	<u>587,296</u>	<u>(854,407)</u>	<u>68,186</u>	<u>2,356,988</u>
Restricted funds					
Restricted building fund	12,539	-	-	-	12,539
Restricted Africa fund	1,000	-	-	-	1,000
	<u>13,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,539</u>
Total of funds	<u><u>2,569,452</u></u>	<u><u>587,296</u></u>	<u><u>(854,407)</u></u>	<u><u>68,186</u></u>	<u><u>2,370,527</u></u>

Unrestricted funds

Charitable funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes.

Restricted funds

The restricted building fund represents the balance of unspent funds received towards property related expenditure.

The restricted Africa fund is funded by the Estate of I King and is to be used for work in Africa.

GRACE COMMUNION INTERNATIONAL

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Resources expended £	Gains/ (losses) £	As restated balance at 31 December 2021 £
Unrestricted funds					
Charitable fund	2,390,263	628,604	(552,111)	89,157	2,555,913
Pension reserve (note 20)	-	4,000	(104,000)	100,000	-
	<u>2,390,263</u>	<u>632,604</u>	<u>(656,111)</u>	<u>189,157</u>	<u>2,555,913</u>
Restricted funds					
Restricted building fund	12,539	-	-	-	12,539
Restricted Africa fund	1,000	-	-	-	1,000
	<u>13,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,539</u>
Total of funds	<u><u>2,403,802</u></u>	<u><u>632,604</u></u>	<u><u>(656,111)</u></u>	<u><u>189,157</u></u>	<u><u>2,569,452</u></u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	164,935	164,935
Fixed asset investments	-	1,663,414	1,663,414
Current assets	13,539	623,712	637,251
Current liabilities	-	(95,073)	(95,073)
Total	<u><u>13,539</u></u>	<u><u>2,356,988</u></u>	<u><u>2,370,527</u></u>

GRACE COMMUNION INTERNATIONAL

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Restated unrestricted funds 2021 £	Restated total funds 2021 £
Tangible fixed assets	-	180,494	180,494
Fixed asset investments	-	611,228	611,228
Current assets	13,539	1,854,868	1,868,407
Current liabilities	-	(90,677)	(90,677)
Total	<u>13,539</u>	<u>2,555,913</u>	<u>2,569,452</u>

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	As restated 2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>(314,925)</u>	<u>65,650</u>
Adjustments for:		
Depreciation charges (note 12)	18,465	20,176
Losses/(gains) on investments (note 13)	47,814	(89,157)
Interest and rents from investments (note 3)	(9,985)	(30,750)
Pension scheme finance income (note 11)	(7,000)	(4,000)
Decrease in net pension asset (note 21)	173,000	104,000
Pension scheme contributions by the employer (note 21)	<u>(50,000)</u>	<u>-</u>
(Increase)/decrease in debtors (note 14)	(3,440)	62,655
Increase in creditors (note 15)	4,396	30,492
Net cash (used in)/provided by operating activities	<u>(141,675)</u>	<u>159,066</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

20. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	588,182	1,822,778
Total cash and cash equivalents	588,182	1,822,778

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	1,822,778	(1,234,596)	588,182
	1,822,778	(1,234,596)	588,182

21. Pension commitments

Defined contribution pension scheme

The Charity is part of the NEST defined contribution pension scheme.

Contributions to the pension scheme recognised as an expense in the year was £8,555 (2021: £7,446).

Defined benefit group stakeholder pension scheme

The Charity operates a defined benefit group stakeholder pension scheme for its employees, which is funded.

The pension cost and asset for the year ending 31 December 2022 are based on the advice of a professionally qualified actuary. The most recent formal valuation is at 31 December 2022.

The scheme was closed to new entrants with effect from 31 December 2002.

The defined contribution asset is allocated to unrestricted funds.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2022 %	2021 %
Discount rate	5.10	1.80
Future pension increases	2.60	2.90
Consumer price inflation	2.60	2.90
RPI inflation	3.50	3.80

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Pension commitments (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2022 Years	2021 Years
Mortality rates (in years)		
- for a male aged 65 now	22.3	21.2
- at 65 for a male aged 45 now	24.0	22.9
- for a female aged 65 now	25.4	23.2
- at 65 for a female aged 45 now	27.1	25.0

The Charity's share of the assets in the scheme was:

	Fair value at 31 December 2022 £	Fair value at 31 December 2021 £
Equities (including property)	1,268,000	1,402,000
Bonds	583,000	463,000
Insured pensions	5,931,000	7,390,000
Cash	269,000	210,000
Total fair value of assets	8,051,000	9,465,000

The actual return on scheme assets was £858,000 (2021: £174,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2022 £	As restated 2021 £
Interest income	176,000	129,000
Interest cost	(169,000)	(125,000)
Provision for GMP equalisation	-	(192,529)
Movement in derecognition of scheme asset	(173,000)	88,529
Contribution by employer	50,000	-
Total amount recognised in the Statement of Financial Activities	(116,000)	(100,000)

GRACE COMMUNION INTERNATIONAL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
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21. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2022 £	2021 £
Opening defined benefit obligation	9,269,529	9,915,000
Provision for GMP equalisation	-	192,529
Interest cost	169,000	125,000
Actuarial gains	(1,150,000)	(403,000)
Benefits paid	(606,000)	(560,000)
Closing defined benefit obligation	7,682,529	9,269,529

Changes in the fair value of scheme assets were as follows:

	2022 £	2021 £
Opening fair value of scheme assets	9,465,000	10,199,000
Interest income	176,000	129,000
Actuarial losses	(1,034,000)	(303,000)
Benefits paid	(606,000)	(560,000)
Contributions by the employer	50,000	-
Closing fair value of scheme assets	8,051,000	9,465,000

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Pension commitments (continued)

Net Actuarial gains in the year amounted to £116,000 (2021: £100,000).

The Charity expects to contribute £24,900 to its Defined Benefit Pension Scheme in 2023.

Amounts for the current and previous year are as follows:

Defined benefit pension schemes

	2022 £	2021 £
Defined benefit obligation	(7,682,529)	(9,269,529)
Scheme assets	8,051,000	9,465,000
Surplus	368,471	195,471
Experience adjustments on scheme liabilities	1,150,000	403,000
Experience adjustments on scheme assets	(1,034,000)	(303,000)
	116,000	100,000

In accordance with FRS 102, net pension assets in relation to defined benefit pension scheme has only been recognised in these financial statements where an unconditional right to a refund exists, or to the extent that the Charity is benefiting from a reduction in the estimated future costs for the remaining active members of the scheme.

22. Operating lease commitments

At 31 December 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	-	270

23. Related party transactions

No related party transactions took place in the year ended 31 December 2022, other than those disclosed in note 10.

24. Controlling party

The Charity is ultimately controlled by the Board of Trustees.

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Company limited by guarantee

The Charity is a Company limited by guarantee and does not have share capital.

Grace Communion International

England & Wales - Charity number 311098

Accounts

Registered number: 00654913 (England and Wales)
Charity number: 311098 (England and Wales) SC040008 (Scotland)

**GRACE COMMUNION INTERNATIONAL
(FORMERLY WORLDWIDE CHURCH OF GOD)
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

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**GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2021**

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees

James Lambu	(Chair)
Ray Walker	Appointed 2 November 2021
Gordon Brown	
Linda Halford	
Simon Williams	
Maureen Watson	
Hilary Buck	Appointed 17 June 2021
James Henderson	Resigned 13 March 2021
Peter Sheppard	Retired 15 August 2021
James Esom	Appointed 17 June 2021, resigned 18 August 2021
David Silcox	Retired 20 August 2022
James Mc Ivor	Appointed 2 November 2021

National Ministry Team (Effective until 9 May 2021)

Gavin Henderson	(Operations Manager)
Barry Robinson	(Ombudsman)
Peter Mill	(Mission Developer)

National Ministry Leader (Effective from 9 May 2021)

Gavin Henderson

Secretary to the Trustees

Peter Sheppard

Registered Charity Name:

Grace Communion International

Names Also Known By

Worldwide Church of God
Summer Educational Programme (Summer camp only)

Registered Office and Operational Address

9 The Point
Rockingham Road
Market Harborough
Leicestershire
LE16 7QU

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2021

Company Registered Number

00654913 (England & Wales)

Charity Registered Numbers

311098 (England & Wales)
SC040008 (Scotland)

Independent Auditor

MHA MacIntyre Hudson Chartered Accountants
11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Bankers

Barclays Bank Plc
20 High St
Market Harborough
LE16 7NR

Solicitors

Edward Connor Solicitors
10 The Point,
Market Harborough,
Leicestershire
LE16 7QU

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees (who are also the directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Grace Communion International ("GCI UK", "we", the charitable company, the Church, the Charity) for the year ended 31 December 2021. The Trustees confirm that the annual report and financial statements of the charitable company comply with current statutory requirements, the requirements of the charitable company's governing document, the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), and the Companies Act 2006.

The Charity qualifies as small under S383 of the Companies Act 2006. A Strategic Report under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Vision and Mission Statement

The mission of the Charity is to proclaim the good news of Jesus Christ whenever and wherever it can. We take care of those whom God calls into our part of the body of his Church by inspiring and training them to serve and love others, reflecting the way in which Jesus Christ loves humanity. Thus, we seek to create a positive and accountable spiritual environment in which the Church lives and shares the Gospel of Jesus Christ in the UK, in the Republic of Ireland, and beyond.

To help us achieve this vision of 'Healthy Church' and to fulfil our mission statement of 'Living and Sharing the Gospel', the Church has the following four avenues of focus:

Team-based, Pastor Led Avenue

"I always pray with joy because of your partnership in the gospel from the first day until now" (Philippians 1:4-5 NIVUK)

"Then Peter stood up with the Eleven, raised his voice and addressed the crowd" (Acts 2:14 NIVUK)

GCI UK believes that it is essential that Church leadership is team-based. To achieve this, leaders in GCI UK (both on a national and local level) are encouraged to practice the 4 E's: Engage, Equip, Empower and Encourage.



This means that our leaders seek to *engage* with the membership of the Church as they look to recognise and recruit new volunteers and potential leaders. These volunteers are then *equipped* by the leadership by investing time and/or resources in them so that they can develop in their role and in turn multiply their skills within the congregation. Where leadership qualities are identified, potential leaders can then be *empowered* by creating space for them to actively serve in leadership and commissioning them for the role. Finally, these volunteers are *encouraged* by the leadership on an ongoing basis, thus affirming their suitability for the role and recognising their contribution to the Church.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Hope Avenue

"When they saw him, they worshipped him"
(Matthew 28:17 NIVUK)

"Every day they continued to meet together in the temple courts... praising God and enjoying the favour of all the people." (Acts 2:46-47 NIVUK)

Worship services are a key part of GCI UK's activities, and our aim is that all our worship services are centred on Jesus Christ and that they are inspiring, bringing hope to all those who attend. This involves intentional preparation for our weekly services and a focus on being an inclusive gathering that welcomes people of all ages, ethnicities, and backgrounds.



Faith Avenue

"And teaching them to obey everything I have commanded you." (Matthew 28:20 NIVUK)

"They devoted themselves to the apostles' teaching and to fellowship, to the breaking of bread and to prayer... They broke bread in their homes and ate together with glad and sincere hearts" (Acts 2:42, 46 NIVUK)

Discipleship is a key part of GCI UK's activities. The Church is committed to providing opportunities for people to strengthen their faith and to follow in the footsteps of Jesus Christ. This is done through Church events (both on a national and congregational level) that provide a chance for people to deepen their relationship with God and with one another as well as by providing midweek events such as Bible studies and prayer meetings.

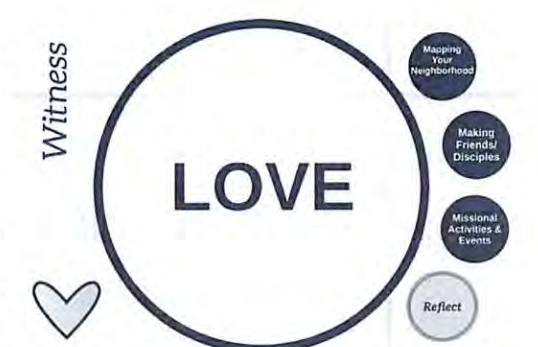


Love Avenue

"Therefore go and make disciples of all nations, baptising them in the name of the Father and of the Son and of the Holy Spirit" (Matthew 28:19 NIVUK)

"And the Lord added to their number daily those who were being saved." (Acts 2:47 NIVUK)

GCI UK believe that a "healthy Church" is one that is showing the love of Jesus Christ to the world. This means that one of the key objectives of the Church is engaging both the general public and the local community near where congregations meet and proclaiming to them the Gospel of Jesus Christ through both our words and our actions.



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Main Activities

As a Church our primary activity is to hold regular (weekly) Church services. These services are open to everyone, including the public, who are welcome to join in and participate with us in worship and to hear a message proclaiming Jesus Christ and his Kingdom, though we reserve the right to refuse entry where and when necessary. We have 21 congregations or fellowship groups that meet weekly and a further 15 that meet on a less frequent basis throughout the UK and Ireland. Our services in these congregations provide a safe environment for people to celebrate the Church's beliefs.

Experienced local pastoral workers provide support for people through biblical counselling, and, in the case of ordained ministry, through performing ministerial duties such as weddings, funerals, and offering general assistance where possible or where needs have been expressed. Ministers and approved pastoral workers are often asked to give biblical counsel and comfort to the sick and terminally ill, and to bereaved relatives and friends. Often such services are provided to people with little or no prior connection to the Church and are provided free of charge.

We communicate regularly to our members and Church contacts using various different types of communication media. A member letter was sent out by post every month in 2021. In addition, each month one of two in-house produced magazines were sent with the letters. The *Because* magazine, which ceased publication during 2021, was an outreach magazine designed for those "on the edge of spirituality" and aimed to encourage and support those who are beginning to ask questions about God and faith. The *Belong* magazine helps to encourage our existing members by developing their faith through topical articles and providing updates about our current projects and activities. There is no charge for the magazines or the member letter that members receive, which has a circulation of just under 800 members. The magazines are also available on our websites.

We also produced a daily Bible study series in 2021, called *Word of Life* which is published on our website wordoflife.gracecom.church. The studies are freely available, and we also offer an email subscription allowing members and contacts to receive the study each day in their inbox. The project has a significant proportion of international readers.

Several of our congregations now also offer online access to services using both Zoom and Facebook Live. Additionally, we offer weekly sermons nationally via our YouTube channel: <https://www.youtube.com/c/GCIUKandIreland>, as well as offering live-streamed Bible studies every fortnight. All our online activities, both at a national and congregational level, can also be accessed via our website www.gracecom.church.

The Church also puts on conferences, holds celebration events and organises summer camps for children and teenagers. In 2021, celebration events were held in Larbert, Galway, Bridlington and Paignton and Adventure Camp, an activity camp for younger children, was held in Kettering.

GCI UK is a member organisation of the Evangelical Alliance and many of its congregations are members of the Churches Together network in their respective areas. GCI UK is keen on working with other Churches and organisations to further its mission of Living and Sharing the Gospel.

Volunteers

We are greatly indebted to all our volunteers for their dedication, time, and skills: in particular, to the over 100 voluntary pastoral workers, without whom the Church and Charity could not provide its services. Because of the Covid pandemic, 2021 was a particularly challenging year for our Church and

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we are very appreciative of our ministers, congregational leaders and pastoral council members who helped keep the connectivity alive in our Church in difficult circumstances.

We are also very grateful for those who helped write, promote, and produce our magazines *Because* and *Belong*, and, also, for those involved in our daily Bible study series *Word of Life*.

Finally, while our main summer camp for teenagers was not able to proceed in 2021, we are very appreciative of those who work with our Youth.

Public Benefit

GCI UK, as outlined above, carries out numerous activities to achieve its aims and objectives. The Trustees consider that these activities provide a public benefit both in terms of the redemptive work of the Church as well as the social outreach the Church engages in on regional, national, and international levels. They have considered the guidance issued by both the Charity Commission and the Office of the Scottish Charity Regulator on Public Benefit in this regard. In particular the Trustees would like to emphasise the Church's desire to be inclusive, where we strive to make the services and events that we run open to all and endeavour not to present a financial barrier to attendance and participation. Our online services have been particularly helpful in helping our services be more inclusive of those who are unable to attend due to health or other reasons.

ACHIEVEMENTS AND PERFORMANCE

Achievements and Performance Summary

The global coronavirus pandemic had a significant impact on our Church in 2021. Due to both government regulations and hall hire restrictions, many of our congregations were unable to meet physically at times during 2021, with some unable to meet at all. The pandemic also meant that some of our leadership development plans were delayed, with retreats for our developing leaders cancelled and our denominational conference having to take place via Zoom as opposed to meeting physically. Where our congregations were able to meet in the year, we often had to reduce the services we offered in light of covid restrictions (e.g. not offering refreshment/fellowship, congregational singing was not allowed, etc..).

In response to these challenging circumstances, the Church continued to provide national services via YouTube and Zoom. This included a virtual Celebration that ran from the 26-28th of February 2021 which included a number of virtual activities in addition to services, e.g. fellowship time, a quiz and a musical evening. Our annual denominational conference also took place via Zoom on the 19-20th June 2021 and included a number of presentations as well as a Q&A session for our ministry workers.

Fortnightly Bible studies took place via YouTube which, in the first half of the year, included both a series on specific topics as well as a series covering specific books of the Bible. In the second half of the year, the Bible studies covered the first part of our "We Believe" series which covers the core beliefs of the Christian faith. A free workbook was distributed to our members and contacts so they could follow along and make their own notes.

For those without internet, many of our congregations arranged to send out CDs of sermons and, in addition to our regular mailing, a special edition of our *Belong* magazine was sent out for Easter. A copy of the book *Serving Without Sinking* by John Hindley was also included in this mailing to our members

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and contacts to encourage them at a key time of the year when many of our congregations were unable to meet due to a lockdown.

In April 2021, the decision was made to cancel our long running *Because* project. The aim of the project had always been to reach people on the edge of spirituality but a challenge was that it was not consistently reaching its intended audience. This problem was exacerbated by the Covid pandemic which stopped the magazine being handed out door to door in areas near our congregations, and it also meant that copies were no longer able to be left in a number of venues (e.g. libraries and waiting rooms).

During the year, including during Covid related lockdowns, three of our congregations offered support for homeless and low-income families – a soup kitchen was offered in Llanelli and homeless outreach initiatives took place in Market Harborough and Glasgow.

The Church also sponsored several of our volunteers and employees in the area of theological education, both with local UK institutions (e.g. the Queen's Foundation, Birmingham) as well as our denominational accredited seminary (www.gcs.edu) in the US and our denominational seminary in Australia (www.ambascol.org).

Due to the Covid pandemic we had to cancel our summer camp for teenagers in 2021, however, we are pleased we were able to go ahead with our Adventure Camp (for children aged 7-13). Adventure camp welcomed over 50 children and staff in 2021 to the Sir John Lowther Scouting centre in Kettering for the August bank holiday weekend. The camp ran a number of activities such as go-karting, Christian living, tunnelling, soap making, archery and pebble painting.

Additionally, several celebration events were held during 2021 for the first time since the Covid pandemic began. Celebration events were held in Larbert, Galway, Bridlington and Paignton and the theme for the celebrations was Ephesians 3:17-18 (NIV): "And I pray that you, being rooted and established in love, may have power, together with all the Lord's holy people, to grasp how wide and long and high and deep is the love of Christ". These events featured both traditional worship services as well as seminars and fellowship events. The combined attendance over all four events was over 240.

The Church also continued to run its Life Club project which teaches public speaking skills to all age groups. Geoff Sole, who runs the project, continues to advise GCI congregations around the world with respect to running Life Clubs and has facilitated getting the Life Club manual translated into a number of languages. In 2021 there was, for the first time, an International Life Club that took place via Zoom and featured speakers from Ghana, Malawi, Kenya, Madagascar and the UK.

Administration & Management

In 2021 the leadership structure of the Church was changed from a three-person National Ministry Team to a National Ministry Leader. This change in structure allowed a wider (and consequently more diverse) team structure to be used. Subsequently, the Pastoral Worker role changed from a part-time role to a full time Regional Pastor role. The aim of this latter change was to reflect workload expectations and to increase the support given to our congregations.

During the year there were some changes in employed personnel. In particular, the Church would like to welcome Anthony Dady who began as Regional Pastor in August 2021 and to say thank you and goodbye to Richard Fowler and David Gibbs, both of whom left employment in the first half of 2021.

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In addition to the above, the Board of Trustees also held a significant review of the Charity's governing documents and in December the Charity passed a special resolution to update and modernise its Articles of Association. The new articles ensure the Charity is up to date with current legislation and allows the Church to take advantage of new technology that was not available when the original articles were created.

GCI UK has also continued to review and update its policies and to assess the risks facing the Charity. During 2021, Covid risk assessments were regularly reviewed and updated as the guidance from the government changed during the course of the pandemic allowing a number of our congregations to return to physical services.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Name

The registered name of the Charity was changed from Worldwide Church of God to Grace Communion International on the 29th June 2022. Grace Communion International had previously been used as a trading name by the charity for a number of years.

Constitution

Grace Communion International was incorporated as a company limited by guarantee in 1960 and registered as a Charity in 1963. The Charity is governed by Articles of Association that were last updated on the 12th December 2021. This significant update was done in consultation with our solicitors with Charity Commission approval obtained for changes to the Charity's objects and clauses relating to both Trustee benefits and winding up the Charity. These changes were designed to bring the articles of association up to date with current legislation and changes in technology that have taken place since the Charity was originally incorporated (e.g. to take advantage of video-conferencing and the use of electronic media).

Method of Appointment or election of Trustees and Training Policies

As set out in the Articles of Association there are a minimum of five Trustees and a maximum of eleven. As of 31 December 2021 there were eight Trustees. Trustees are elected in accordance with the Articles of Association for a term of three years and may serve if so elected, for three terms, before normally being required to step down for at least one year. Trustees are required to abide by the Code of Ethics for Elders and the Grace Communion International Statement of Beliefs as published by Grace Communion International USA (GCI HQ) based in Charlotte, USA. The Board of Trustees considers Diversity, Equality and Inclusion when selecting Trustees and aims to have a Board that not only has a good mix of skills and experience but also reflects the diversity of our members and the people we are serving as a Charity.

All new Trustees are given copies of the Memorandum and Articles of Association. Induction is provided in the form of copies of previous minutes and copies of the latest Governance & Leadership magazine and Charity Commission News. Each new Trustee is also provided with a copy of the guidance advice for new Trustees issued by the Charity Commission and Office of the Scottish Charity Regulator. Trustees are also kept up to date with the availability of courses/seminars on Trustees' responsibilities (funded by the Charity). In 2021, three Trustees attended Trustee training courses.

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FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustee Benefits

GCI UK does not give remuneration to Trustees for their role as Trustee. It does, however, help cover the costs of their travel and the training required or recommended for their duties as Trustees.

As permitted by the Articles of Association, each Trustee has the benefit of an indemnity, which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006.

Trustee Changes in 2021

In March 2021, James Henderson resigned as a Trustee because he had a family connection to one of the candidates being considered for the new position of NML (to ensure there would be no possible conflict of interest or loyalty in the appointment process). In June 2021, two new Trustees were appointed – Hilary Buck and James Esom. In August two Trustees stepped down from the Board with James Esom resigning and Peter Sheppard retiring having served 9 years on the Board. In December 2021, Ray Walker was appointed as a Trustee to the Board. The Church would like to thank James Henderson, James Esom, and Peter Sheppard for their service to the Church as Trustees.

In August 2021, the Trustees amended the Articles of the Association to allow a Trustee to stay on beyond their normal 3 terms in exceptional circumstances. Following this the Board agreed to extend the term of Mr David Silcox for an additional year to allow him to help finalise the overhaul to the Church's articles of association (in which he had been heavily involved). During this time David Silcox served as Chair of the Charity. James Lambu was appointed Chair when David Silcox stepped down as a Trustee in August 2022.

Organisational Structure and Decision Making

GCI UK is governed by a Board of Trustees, which meets at least four times a year to:

- Agree the policy of the Charity
- Determine strategic direction and objectives
- Ratify major decisions on and monitor the use of finances
- Review management reports

Board Committees

Sub-committees, if necessary, are appointed on an ad hoc basis and disbanded when they have completed the task for which they are formed. In 2021 there were three sub-committees: the National Ministry Team's remuneration sub-committee, the Leadership and Operational Structure sub-committee and an Appeal Committee setup to hear an appeal relating to an employee grievance.

International Connections

GCI UK operates as an organisation associated with GCI HQ. Although capable of independent operation, GCI UK has willingly subordinated itself in doctrinal matters to the GCI HQ insofar as it does not bring our Church and Charity into conflict with UK laws.

Additionally, we have a working relationship with various Grace Communion International organisations overseas – in particular those based in Europe, and, upon the request of the President of GCI HQ, the Church agreed that James Henderson, our former National Director and one of the UK's ministers,

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would fulfil the role of the Denominational Superintendent for Europe. As he is not paid for this role, we have accordingly agreed to subsidise his expenses within our budgetary limitations.

In addition, we seek to support and value our international connections, although due to the difficulty in international travel throughout much of 2021, this was mostly limited to financial support and virtual support via Zoom.

Operational management

At the beginning of 2021, the general management and strategic planning was delegated to the NMT within the guidelines of the Board's Mission Statement and within the vision of the denomination. The NMT reported regularly to the Board and to GCI HQ and was supported by its staff with whom it consulted regularly.

In early 2021, the Board appointed Leadership and Organisational Structure sub-committee reviewed the leadership structure of the Church and following the sub-committee's recommendation, agreed to move from a National Ministry Team structure to a National Ministry Leader structure. In May 2021, after having interviewed candidates, the Board of Trustees appointed Gavin Henderson as the new National Ministry Leader (NML). The Board is keen for the new National Ministry Leader to continue to have a team-based approach.

Management Remuneration

The NMT's salaries were determined by a sub-committee of the Board consisting of the Honorary Treasurer and GCI's European Superintendent. When the NML was appointed to replace the NMT his salary was approved by the Board following a recommendation made by the Company Secretary. The salaries of staff were seen and approved by the Board of Trustees at the November 2020 Board meeting where the budget for 2021 was approved. GCI UK seeks to ensure that its staff are paid appropriately but not excessively.

FINANCIAL REVIEW

GCI UK ended 2021 in a positive financial position. While our income was affected by Covid, many of the donations we received were sent to the Church directly either by cheque or bank transfer. This meant that our finances were not significantly affected by the inability to take up physical offerings due to Covid restrictions. The Church ended the financial year with its income significantly exceeding expenditure.

The Covid pandemic significantly reduced our expenditure for the year. All of our congregations meet in hired halls or at members' homes, this meant that there were no costs for our congregations when they were unable to meet due to Covid regulations. This meant our hall hire expenditure was significantly under expenditure for the year. Travel and mileage expenses were also heavily reduced as there was significantly less travel. Expenditure was also reduced by the cancellation of SEP, our summer camp for teenagers, and by our denominational conference being held by Zoom instead of taking place as a physical meeting. The two significant areas where our expenditure increased were legal expenses (in part, due to advice relating to a significant overhaul and modernisation of the Church's Memorandum and Articles of Association) and computer costs.

The Church did not need to call upon any of its reserves in 2021.

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Reserves Policy

The Board of Trustees has established that the level of reserves in cash or cash equivalent should be at least six months' operating expenses. This level of reserve was maintained throughout 2021. Following Charity Commission guidance any pension scheme surplus is not reflected in the level of reserves, as they do not represent an immediately realisable asset.

At 31 December 2021 the total funds comprised:

Restricted	£13,539
Unrestricted: Pension reserve	£195,471
Unrestricted: other	<u>£2,555,913</u>
	<u>£2,764,923</u>

The Board of Trustees has established that the level of reserves in cash or cash equivalent should be at least six months' operating expenses (for 2021 this was determined to be £290,000). Following Charity Commission guidance any pension scheme surplus is not reflected in the level of reserves, as they do not represent an immediately realisable asset. The Charity's reserves held in 2021 were significantly above the six month's operating expenses. For a number of years the Charity has operated a policy of not budgeting for legacies (which, due to the size of our organisation are not easily predictable) – instead, the Board of Trustees has determined that funds above budget should be kept in reserve to help provide an additional revenue stream for the Charity in the future.

Investment Powers and Policy

GCI UK's constitution allows the Board of Trustees to invest money not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

The Board of Trustees, having regard to the liquidity requirements of operating GCI UK and the reserves policy set out above, kept funds in 2021 in a 'Targeted Return Fund', with Barings Asset Management and Newton's 'Growth and Investment fund for charities' to provide a revenue stream for the charity and diversify investments. The Charity also had funds in Clerical Medical and Canada Life investment vehicles in 2021 as part of a legacy that had been received in a prior year. The Charity did not invest directly in the tobacco industry.

In 2022, the Charity is planning on moving the Church's investments and reserves into funds that have a greater alignment with the Church's ethical position. These funds would be invested in a 2:1 ratio between providing capital growth and income. This would help ensure the long-term viability of the Church in the light of the current financial pressures facing the charity as well as providing options for strategic capital investments (e.g. purchasing or building a new church hall).

Fundraising

Most of the income for the Church comes from donations as opposed to fundraising. While the Church encourages members to support the Church financially, the Church stresses that members should only give as they are able. In 2021, a regular member letter was sent out in a mailshot. Each mailshot contained a donation envelope in case recipients wanted to help support the Church financially. In

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addition, offerings were taken up at our Celebration events and in some of our congregations during the year.

The Church complies with the law as it applies to charities and fundraising and in 2021 did not use third party or professional fundraisers and received no complaints in relation to fundraising. Due to the very limited nature of the Church's active fundraising, the Church has not signed up to the code of fundraising practice — however, the Board keeps its position under review and is keen that the Church follows best fundraising practices. No specific fundraising activities are currently planned for 2022.

Indigenous Income

The income of GCI UK is predominantly derived from donations from its congregational members in Great Britain and Eire with occasional contributions from non-members. As in previous years, full advantage has been taken of Gift Aid tax relief on eligible donations. Additionally, a small proportion of the Charity's income comes from income arising from investment returns.

Pension Scheme

The Church operates a defined benefit pension scheme called the Pension and Life Assurance Plan of the Worldwide Church of God (Worldwide Church of God is the former name of Grace Communion International). The scheme has been closed to new members since 2004. The recent scheme funding valuation showed the scheme had moved to a deficit having previously been in surplus. The last active member of the scheme retired in 2015 leaving only deferred members as non-insured liabilities. A recovery plan has been agreed with a payment of £24,900 paid in 2020 and £49,800 to be paid in 2022 and a final payment of £24,900 to be paid in 2023 to address the deficit.

Fiscal Responsibility

The Board of Trustees requires that the executive of GCI UK operate a balanced budget, based on anticipated Income and Expenditure for the year. The Board had determined that any income in excess of expenditure can be assigned to projects suggested by the NML to the Board of Trustees. Until then funds should be invested to provide additional revenue for the Church in the future.

Risk management and internal controls

The Trustees ensure that major risks to which GCI UK is exposed are reviewed and assessed and that systems are in place to mitigate those risks. The Trustees have agreed a risk management policy for which they have overall responsibility. Operational responsibility was delegated by the Trustees to the National Ministry Leader and his staff. A risk register identifies risks and assigns specific actions and responsibilities for mitigating the risks. The risk management process is on-going. The Trustees consider that a major risk is one that has a high likelihood of occurring and would, if it occurred, have a severe impact on operational performance. The National Ministry Team reported regularly to the Board of Trustees on major risks and how they are being managed.

The Trustees expect all staff and volunteers when engaging in any activity on behalf of GCI UK to consider the risks posed and to act in accordance with the risk management policy and procedure. All increases to on-going or new activities are risk assessed prior to being introduced or undertaken.

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FOR THE YEAR ENDED 31 DECEMBER 2021**

The Trustees want to be risk alert but do not wish to be averse to taking reasonable risks as part of the Board's strategy to achieve the objectives of GCI UK. All key policies within the organisation were regularly reviewed and updated as appropriate to reflect legislative changes and the latest developments in this area. In particular, new Covid risk assessments were made for the Church office and for all congregations that resumed physical services after returning from the hiatus caused by the pandemic.

The Board has identified four major risks to the Church. The first is the age of its membership. The increasing age of our volunteers means that some of our congregations are having to meet less frequently, and the increasing age of our members also has an impact on our finances as our regular donors retire etc. Another major risk to the Church is the Church's pension scheme; the full impact of Covid and the current cost of living crisis is not yet clear on the Pension scheme. The pension scheme was closed to new members in 2004, no longer has active members (only pensioners and deferred pensioners)— however, due to the size of the pension fund compared to our annual income, this remains a significant concern. The third risk facing the Charity involves the difficulty that has been experienced in returning to physical services after the prolonged absence caused by Covid. The leadership has encouraged local Zoom meetings and services and continued with weekly YouTube broadcasts that were started in the Pandemic to help combat this. Finally, the last risk facing the Church is the loss of members due to doctrinal divisions (and resultant changes to liturgical practice) that are a legacy of the Church's past teachings. The Church is committed to handling these divisions in a loving and caring way to try to mitigate this risk.

Third party indemnity insurance

The Church pays third party liability insurance in respect of the Trustees and senior management.

PLANS FOR THE FUTURE

A focus for 2022 is re-opening our congregations following the Covid pandemic. As a number of our smaller fellowship groups will not be able to go back to meeting weekly we have been developing plans to support some of our larger congregations in offering blended Zoom services (i.e. so that members can be involved both physically and virtually). This would allow members of the smaller fellowship groups to sometimes attend the services of the larger congregations.

It is also the hope that in 2022, the Church will be able to resume all the conferences and summer camps that were in operation before the Covid pandemic began. In particular, this will mean that our summer camp for teenagers, SEP, will return to Morfa Bay in Wales.

The Church is also looking to outsource some of its finance and administration roles in 2022 to free up more time for existing employees (particularly the NML). By taking advantage of outside expertise this will allow the Charity to continue to ensure it is meeting best practices in these areas.

Additionally, the Church plans to continue to explore the four avenues of "healthy Church" as outlined in the objectives section above. In this regard the Regional Pastors will continue to work with their developing leaders in their regions, and a national conference is planned with Dr Greg Williams, the President of the denomination internationally, to attend.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Charity does not hold any such funds on behalf of any other organisations.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently; and
- observe the methods and principles of the Charities SORP (FRS 102); and
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.


The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved confirm that:

- So far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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



.....
James Lambu

Chair of the Board of Trustees

Date: 16-DEC-2022

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(FORMERLY WORLDWIDE CHURCH OF GOD)**

Opinion

We have audited the financial statements of Grace Communion International (Formerly Worldwide Church of God) (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006, the Charities and Trustee investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve 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.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(FORMERLY WORLDWIDE CHURCH OF GOD) (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company 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 Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 13 and 14, the Trustees (who are also the Directors of the Charity for the purposes of company law) 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 the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(FORMERLY WORLDWIDE CHURCH OF GOD) (CONTINUED)**

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44 (1) (C) of the Charities and Trustees Investment (Scotland) Act 2005 and the Companies Act 2006, and report in accordance with regulations made within those Acts.

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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indications of fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing Financial Statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GRACE COMMUNION INTERNATIONAL
(FORMERLY WORLDWIDE CHURCH OF GOD) (CONTINUED)**

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Charity's Trustees as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an Auditors' 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 charitable company, the charitable company's members as a body and the charitable company's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Blundell

Helen Blundell LLB FCA FCIE DChA (Senior Statutory Auditor)

for and on behalf of
MHA MacIntyre Hudson (Statutory Auditors)
Leicester, United Kingdom

Date: 19 December 2022

MHA MacIntyre Hudson is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	2	-	597,629	597,629	588,598
Investments	3	-	34,750	34,750	46,571
Other income	4	-	225	225	-
Total income		-	632,604	632,604	635,169
Expenditure on:					
Charitable activities	5	-	684,584	684,584	370,651
Governance costs	6	-	60,056	60,056	41,936
Total expenditure		-	744,640	744,640	412,587
Net gains/(losses) on investments		-	89,157	89,157	(29,145)
Net movement in funds before other recognised gains		-	(22,879)	(22,879)	193,437
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	20	-	100,000	100,000	(189,000)
Net movement in funds		-	77,121	77,121	4,437
Reconciliation of funds:					
Total funds brought forward		13,539	2,674,263	2,687,802	2,683,365
Net movement in funds		-	77,121	77,121	4,437
Total funds carried forward		13,539	2,751,384	2,764,923	2,687,802

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 43 form part of these financial statements.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)
REGISTERED NUMBER: 00654913 (England & Wales)

BALANCE SHEET
AS AT 31 DECEMBER 2021

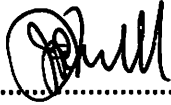
	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	180,494	199,511
Investments	13	611,228	1,424,980
		<u>791,722</u>	<u>1,624,491</u>
Current assets			
Debtors	14	45,629	108,284
Cash at bank and in hand	19	1,822,778	731,212
		<u>1,868,407</u>	<u>839,496</u>
Creditors: amounts falling due within one year	15	(90,677)	(60,185)
Net current assets		<u>1,777,730</u>	<u>779,311</u>
Total assets less current liabilities		<u>2,569,452</u>	<u>2,403,802</u>
Defined benefit pension scheme asset	20	195,471	284,000
Total net assets		<u><u>2,764,923</u></u>	<u><u>2,687,802</u></u>
Charity funds			
Restricted funds	16	13,539	13,539
Unrestricted funds			
Unrestricted funds excluding pension asset	16	2,555,913	2,390,263
Pension reserve	16	195,471	284,000
Total unrestricted funds	16	<u>2,751,384</u>	<u>2,674,263</u>
Total funds		<u><u>2,764,923</u></u>	<u><u>2,687,802</u></u>

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

**(A Company Limited by Guarantee)
REGISTERED NUMBER: 00654913 (England & Wales)**

**BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021**

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
James Lambu
Chair of the Board of Trustees

Date: 16-DEC-2022

The notes on pages 23 to 43 form part of these financial statements.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	18	159,066	163,766
		<hr/>	<hr/>
Cash flows from investing activities			
Dividends, interests and rents from investments		30,750	37,571
Purchase of tangible fixed assets		(1,159)	(10,395)
Gains on investments		902,909	-
		<hr/>	<hr/>
Net cash provided by investing activities		932,500	27,176
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		1,091,566	190,942
Cash and cash equivalents at the beginning of the year		731,212	540,270
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	19	1,822,778	731,212
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 23 to 43 form part of these financial statements

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies

1.1 Basis of preparation of financial statements

Worldwide Church of God is an incorporated Charity registered with the Charity Commission for England and Wales registration number 311098, and with OSCR in Scotland registration number SC040008. The company is registered in the UK, registration number 00654913.

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Grace Communion International (Formerly Worldwide Church of God) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Charity's functional and presentational currency is British Pound Sterling (£) and is rounded to the nearest pound (£).

The following principal accounting policies have been applied.

1.2 Company status

The Charity is a company limited by guarantee. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £7 per member of the Charity.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are included in the Trustees Report on page 3.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Collections and donations are accounted for when they are received.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Direct costs are related support costs associated with preaching, pastoral care and the production and distribution of Charity literature. These are separately disclosed in the Statement of Financial Activities as Charitable Activities.

Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

1.5 Fund accounting

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 and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Historically the Charity has taught the principle of tithing (which is the donation of ten percent of one's net income for the Charity's unrestricted use). Most of the Charity revenue consists of such unrestricted donations. Donations are used for the publishing of Charity literature, assistance for members which are more in need, operating expenses of the annual Church festivals, ministerial activities and maintenance of buildings, as seems appropriate by Charity doctrine. Restricted funds comprise amounts donated for specific objectives. They are expended in furtherance of certain aspects of the Charity. In the Trustees' opinion, at 31 December 2021, all donations received for specific purposes had been expended in accordance with, and in furtherance of, their intended purposes with the exception of the restricted funds not yet utilised as detailed in note 16.

1.6 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

This consideration has taken into account the expected impact of Covid-19 and the current economic environment on the Charity, as far as it can be determined, and the Trustees remain satisfied that the going concern principle remains appropriate.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.9 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold buildings	- 4% on a straight-line basis
Motor vehicles	- 25% on a straight-line basis
Fixture and fittings	- 10% and 20% on a straight-line basis

Freehold land is not depreciated.

Profit on disposal of fixed assets are included in net expenditure for the year.

1.11 Investments

Investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. The Statement of Financial Activities includes the unrealised and realised gains and losses arising on revaluations and disposals throughout the year.

Investments held as fixed assets are shown at fair value.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Cash at bank and in hand

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

1.14 Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting 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 normally recognised at their settlement amount after allowing for any trade discounts due.

1.15 Pensions

Defined Contribution

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Defined Benefit

The Charity operates a defined benefit, fully insured pension scheme administered externally and the pension charge is based on a full actuarial valuation dated 19 May 2022 for the year ended 31 December 2021.

The scheme was closed to new entrants from 31 December 2002. Payments made to the funds are charged annually in these financial statements. The funds are actuarially valued on a regular basis by a qualified actuary, the rates of contributions payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates.

The amount charged to the Statement of Financial Activities is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations to the cost.

Any difference between amounts charged to the Statement of Financial Activities and contributions paid to the independent pension scheme is shown as a liability or asset at the balance sheet date. Further information on pension costs is shown in note 20.

A pension scheme asset is recognised in the Balance Sheet under FRS 102 to the extent that the Charity is able to recover the surplus through refunds or through a reduction in future contributions to the scheme.

1.16 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

1.17 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

1) Defined benefit pension schemes valuation

The FRS 102 valuation for the charitable company's Defined Benefit Pension Schemes is recognised in the Balance Sheet as an asset. This is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets. This is sensitive to change in the assumptions made by the actuaries who have been appointed to value the schemes. See note 20 for the assumptions made for the pension commitments, and note 1.15 for the pensions accounting policies.

2) Depreciation of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 12 for the carrying amount of the tangible fixed assets and note 1.10 for the useful economic lives for each class of assets.

2. Donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £
Donations	506,292	506,292
Legacies	15,253	15,253
Gift aid	76,084	76,084
Total 2021	597,629	597,629

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Donations and legacies (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	513,005	513,005
Gift aid	75,593	75,593
Total 2020	588,598	588,598

3. Investment income

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income	30,750	30,750
Pension income (note 11)	4,000	4,000
Total 2021	34,750	34,750

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	37,571	37,571
Pension income (note 11)	9,000	9,000
Total 2020	46,571	46,571

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other income	225	225	-

5. Charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Mileage and travel	41,261	41,261
Insurance	6,591	6,591
Other expenses	99,424	99,424
General assistance	16,150	16,150
Depreciation	20,176	20,176
Summer Educational Programme	10,395	10,395
Hall hire and rent	39,373	39,373
Wages and salaries	230,014	230,014
National insurance	21,225	21,225
Pension cost	199,975	199,975
Total 2021	684,584	684,584

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Charitable activities (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Mileage and travel	7,978	7,978
Insurance	5,842	5,842
Other expenses	87,961	87,961
General assistance	8,285	8,285
Depreciation	18,987	18,987
Summer Educational Programme	7,638	7,638
Hall hire and rent	27,201	27,201
Wages and salaries	185,097	185,097
National insurance	15,437	15,437
Pension cost	6,225	6,225
<i>Total 2020</i>	<u>370,651</u>	<u>370,651</u>

6. Governance costs

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Auditors' remuneration	16,150	16,150
Professional fees	39,158	39,158
Board expenses	4,748	4,748
Total 2021	<u>60,056</u>	<u>60,056</u>

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Governance costs (continued)

	<i>Restated unrestricted funds 2020 £</i>	<i>Restated total funds 2020 £</i>
Auditors' remuneration	15,529	15,529
Professional fees	26,115	26,115
Board expenses	292	292
<i>Total 2020</i>	<u>41,936</u>	<u>41,936</u>

7. Net income/(expenditure)

This is stated after charging:

	<i>2021 £</i>	<i>2020 £</i>
Depreciation of tangible fixed assets	20,176	18,987
Operating lease rentals	<u>1,330</u>	<u>1,330</u>

8. Auditors' remuneration

The Auditor's remuneration comprises audit fees of £16,150 (2020: £15,529) and fees for other non-audit services of £3,730 (2020: £5,269). This includes fees for the Charity and its pension scheme.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Staff costs

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	230,014	185,097
Social security costs	21,225	15,437
Pension costs (note 20)	7,446	6,225
Provision for GMP equalisation	192,529	-
	<u>451,214</u>	<u>206,759</u>

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Persons employed	6	8
Stipendiary persons employed	7	6
	<u>13</u>	<u>14</u>

No employee received remuneration amounting to more than £60,000 in either year.

The Key Management Personnel of the Charity are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Charity. The Key Management Personnel of the Charity comprise the National Ministry Team. The total employee benefits of the Key Management Personnel of the Charity (including employer national insurance and employer pension) amounted to £157,294 (2020: £126,015).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020: £Nil).

During the year ended 31 December 2021, expenses totalling £3,089 were reimbursed or paid directly to 8 Trustees in respect of travel and subsistence (2020: £67 to 1 Trustee in respect of travel and subsistence).

Other related party transactions involving the Trustees are set out in note 22.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Pension finance income

	2021 £	2020 £
Interest income on pension scheme assets	129,000	196,000
Interest on pension scheme liabilities	(125,000)	(187,000)
	4,000	9,000
	4,000	9,000

12. Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 January 2021	359,256	4,714	242,583	606,553
Additions	-	-	1,159	1,159
At 31 December 2021	359,256	4,714	243,742	607,712
Depreciation				
At 1 January 2021	191,776	4,714	210,552	407,042
Charge for the year	11,597	-	8,579	20,176
At 31 December 2021	203,373	4,714	219,131	427,218
Net book value				
At 31 December 2021	155,883	-	24,611	180,494
At 31 December 2020	167,480	-	32,031	199,511

Freehold land and buildings includes freehold land, the value of which is estimated by the Trustees as being £69,324 (2020: £69,324), which has not been depreciated.

The most recent valuation on 15 May 2018 indicated that the value of the property is £305,000.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021	1,424,980
Disposals	(902,909)
Revaluations	89,157
At 31 December 2021	<u>611,228</u>

The investments are invested in a number of investment funds including Clerical Medical Bonds, Canada Life Bonds and Newton Growth Fund.

14. Debtors

	2021 £	2020 £
VAT repayable	351	7,968
Other debtors	16,452	23,708
Prepayments and accrued income	28,826	76,608
	<u>45,629</u>	<u>108,284</u>

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	14,862	-
Other taxation and social security	35,487	24,563
Other creditors	10,414	10,407
Accruals	29,914	25,215
	<u>90,677</u>	<u>60,185</u>

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Resources expended £	Gains/ (losses) £	Balance at 31 December 2021 £
Unrestricted funds					
Charitable fund	2,390,263	628,604	(552,111)	89,157	2,555,913
Pension reserve (note 20)	284,000	4,000	(192,529)	100,000	195,471
	<u>2,674,263</u>	<u>632,604</u>	<u>(744,640)</u>	<u>189,157</u>	<u>2,751,384</u>
Restricted funds					
Restricted building fund	12,539	-	-	-	12,539
Restricted Africa fund	1,000	-	-	-	1,000
	<u>13,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,539</u>
Total of funds	<u><u>2,687,802</u></u>	<u><u>632,604</u></u>	<u><u>(744,640)</u></u>	<u><u>189,157</u></u>	<u><u>2,764,923</u></u>

Unrestricted funds

Charitable funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds

The restricted building fund represents the balance of unspent funds received towards property related expenditure.

The restricted Africa fund is funded by the Estate of I King and is to be used for work in Africa.

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2020 £</i>	<i>Income £</i>	<i>Resources expended £</i>	<i>Gains/ (losses) £</i>	<i>Balance at 31 December 2020 £</i>
Unrestricted funds					
Charitable fund	2,230,826	626,169	(437,587)	(29,145)	2,390,263
Pension reserve (note 20)	439,000	9,000	25,000	(189,000)	284,000
	<u>2,669,826</u>	<u>635,169</u>	<u>(412,587)</u>	<u>(218,145)</u>	<u>2,674,263</u>
Restricted funds					
Restricted building fund	12,539	-	-	-	12,539
Restricted Africa fund	1,000	-	-	-	1,000
	<u>13,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,539</u>
Total of funds	<u><u>2,683,365</u></u>	<u><u>635,169</u></u>	<u><u>(412,587)</u></u>	<u><u>(218,145)</u></u>	<u><u>2,687,802</u></u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	180,494	180,494
Fixed asset investments	-	611,228	611,228
Current assets	13,539	1,854,868	1,868,407
Current liabilities	-	(90,677)	(90,677)
Pension reserve	-	195,471	195,471
Total	<u><u>13,539</u></u>	<u><u>2,751,384</u></u>	<u><u>2,764,923</u></u>

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	199,511	199,511
Fixed asset investments	-	1,424,980	1,424,980
Current assets	13,539	825,957	839,496
Current liabilities	-	(60,185)	(60,185)
Pension reserve	-	284,000	284,000
Total	<u>13,539</u>	<u>2,674,263</u>	<u>2,687,802</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	<u>(22,879)</u>	<u>193,437</u>
Adjustments for:		
Depreciation charges (note 12)	20,176	18,987
(Gains)/losses on investments	(89,157)	29,145
Interest and rents from investments (note 3)	(30,750)	(37,571)
Pension scheme finance income (note 11)	(4,000)	(9,000)
Decrease in net pension liability (note 20)	192,529	-
Pension scheme contributions by the employer (note 20)	-	(25,000)
Decrease/(increase) in debtors (note 14)	62,655	(6,938)
Increase in creditors (note 15)	30,492	706
Net cash provided by operating activities	<u>159,066</u>	<u>163,766</u>

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	1,822,778	731,212
Total cash and cash equivalents	1,822,778	731,212

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	731,212	1,091,566	1,822,778
	731,212	1,091,566	1,822,778

20. Pension commitments

Defined contribution pension scheme

The Charity is part of the NEST defined contribution pension scheme.

Contributions to the pension scheme recognised as an expense in the year was £7,446 (2020: £6,225).

Defined benefit group stakeholder pension scheme

The Charity operates a defined benefit group stakeholder pension scheme for its employees, which is funded.

The pension cost and asset for the year ending 31 December 2021 are based on the advice of a professionally qualified actuary. The most recent formal valuation is 19 May 2022.

The scheme was closed to new entrants with effect from 31 December 2002.

The defined contribution asset is allocated to unrestricted funds.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2021 %	2020 %
Discount rate	1.80	1.30
Future pension increases	2.90	2.40
Consumer price inflation	2.90	2.40
RPI inflation	3.80	3.30

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. Pension commitments (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2021 Years	2020 Years
Mortality rates (in years)		
- for a male aged 65 now	21.2	21.2
- at 65 for a male aged 45 now	22.9	22.9
- for a female aged 65 now	23.2	23.1
- at 65 for a female aged 45 now	25.0	25.0

The Charity's share of the assets in the scheme was:

	Fair value at 31 December 2021 £	Fair value at 31 December 2020 £
Equities (including property)	1,402,000	1,210,000
Bonds	463,000	572,000
Insured pensions	7,390,000	8,206,000
Cash	210,000	211,000
Total fair value of assets	9,465,000	10,199,000

The actual return on scheme assets was £174,000 (2021: £657,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2021 £	2020 £
Interest income	(129,000)	(196,000)
Interest cost	125,000	187,000
Provision for GMP equalisation	192,529	-
Total amount recognised in the Statement of Financial Activities	188,529	(9,000)

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2021 £	2020 £
Opening defined benefit obligation	9,915,000	9,623,000
Provision for GMP equalisation	192,529	-
Interest cost	125,000	187,000
Actuarial (gains)/losses	(403,000)	650,000
Benefits paid	(560,000)	(545,000)
Closing defined benefit obligation	9,269,529	9,915,000

Changes in the fair value of scheme assets were as follows:

	2021 £	2020 £
Opening fair value of scheme assets	10,199,000	10,062,000
Interest income	129,000	196,000
Actuarial (losses)/gains	(303,000)	461,000
Benefits paid	(560,000)	(545,000)
Contributions by the employer	-	25,000
Closing fair value of scheme assets	9,465,000	10,199,000

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20. Pension commitments (continued)

Net Actuarial gains in the year amounted to £100,000 (2020: losses £189,000).

The Charity expects to contribute £24,900 to its Defined Benefit Pension Scheme in 2022.

Amounts for the current and previous year are as follows:

Defined benefit pension schemes

	2021 £	2020 £
Defined benefit obligation	(9,269,529)	(9,915,000)
Scheme assets	9,465,000	10,199,000
Surplus	195,471	284,000
Experience adjustments on scheme liabilities	403,000	(650,000)
Experience adjustments on scheme assets	(303,000)	461,000
	<u>100,000</u>	<u>(189,000)</u>

GRACE COMMUNION INTERNATIONAL (FORMERLY WORLDWIDE CHURCH OF GOD)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

21. Operating lease commitments

At 31 December 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	270	1,330
Later than 1 year and not later than 5 years	-	270
	<u>270</u>	<u>1,600</u>

22. Related party transactions

No related party transactions took place in the year ended 31 December 2021, other than those disclosed in note 9.

23. Controlling party

The Charity is ultimately controlled by the Board of Trustees.

24. Company limited by guarantee

The Charity is a Company limited by guarantee and does not have share capital.

Grace Communion International

England & Wales - Charity number 311098

Accounts

Registered number: 00654913 (England and Wales)
Charity number: 311098 (England and Wales) SC040008 (Scotland)

WORLDWIDE CHURCH OF GOD

Also known as Grace Communion International

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

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WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2020**

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

David Silcox	(Chair)
Peter Sheppard	(Honorary Treasurer & Company Secretary)
Gordon Brown	
Linda Halford	
Simon Williams	
James Lambu	
Maureen Watson	
Margaret Mitchell	(Resigned 16 December 2020)
James Henderson	(Resigned 13 March 2021)
Hilary Buck	(Appointed 17 June 2021)
James Esom	(Appointed 17 June 2021)

National Ministry Team (Effective until 9 May 2021)

Gavin Henderson	(Operations Manager)
Barry Robinson	(Ombudsman)
Peter Mill	(Mission Developer)

National Ministry Leader (Effective from 9 May 2021)

Gavin Henderson

Secretary to the Trustees

Peter Sheppard

Registered Charity Name:

Worldwide Church of God

Names Also Known By

Grace Communion International
Summer Educational Programme (Summer camp only)

Registered Office and Operational Address

9 The Point
Rockingham Road
Market Harborough
Leicestershire LE16 7QU

Company Registered Number

00654913 (England & Wales)

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2020

Charity Registered Number

311098 (England & Wales)
SC040008 (Scotland)

Independent Auditor

MHA MacIntyre Hudson Chartered Accountants
11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Bankers

Barclays Bank Plc
20 High St
Market Harborough
LE16 7NR

Solicitors

Edward Connor Solicitors
10 The Point,
Market Harborough,
Leicestershire
LE16 7QU

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees (who are also the directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Worldwide Church of God also known as Grace Communion International ("GCI UK", "we", the charitable company, the Church, the Charity) for the year ended 31 December 2020. The Trustees confirm that the annual report and financial statements of the charitable company comply with current statutory requirements, the requirements of the charitable company's governing document, the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), and the Companies Act 2006.

The charity qualifies as small under S383 of the Companies Act 2006. A Strategic Report under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Mission Statement

The mission of the Charity is to proclaim the good news of Jesus Christ whenever and wherever it can. We take care of those whom God calls into our part of the body of his Church by inspiring and training them to serve and love others, reflecting the way in which Jesus Christ loves humanity. Thus, we seek to create a positive and accountable spiritual environment in which the Church lives and shares the Gospel of Jesus Christ in the UK, Ireland and beyond.

To help us achieve this mission a 5-point approach to both living and sharing the Gospel is used:

Living the Gospel

1. Bringing churches and members into accountability to the peace of Christ.
2. Contact and correspondence.
3. Pastoral councils and structures.
4. Retreats, festivals, fellowship opportunities.
5. National conferences and local seminars.

Sharing the Gospel

1. Exhort the membership to continue the work of Jesus Christ.
2. Intergenerational ministries and mission.
3. Creating a financial model to enable local churches to do mission.
4. Exploring national and local mission opportunities.
5. Creating a platform of ideas.

Main Activities

As a Church our main activity is to hold regular (weekly) services for our Church members. These services are open to everyone, including the public, who are welcome to join in and participate with us in worship and to hear a sermon proclaiming Jesus Christ and his Kingdom, though we reserve the right to refuse entry where necessary. We have 38 churches and/or worship groups throughout the UK and Ireland.

These services provide a safe environment for people to celebrate the church's beliefs. We believe this supports our mission to live and share the gospel, and subsequently encourages congregants to express their Christian beliefs by serving people in their families, in the workplace, and in their local communities.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

Experienced local pastoral workers provide support for people through biblical counselling, and, in the case of ordained ministry, through performing ministerial duties such as weddings, funerals, and offering general assistance where possible or where needs have been expressed. Ministers and approved pastoral workers are increasingly being asked to give biblical counsel and comfort to the sick and terminally ill, and to bereaved relatives and friends: often such services are provided to people with little or no prior connection to the church and are provided free of charge.

We communicate regularly to all members and church contacts using various communication media. A member letter from the National Ministry Team or GCI Superintendent of Europe was sent out at least monthly. In addition, we send out two magazines with these letters. The *Because* magazine is an outreach magazine designed for those “on the edge of spirituality” and aimed to encourage and support those who are beginning to ask questions about God and faith. The *Belong* magazine is to help encourage our members and develop their faith through articles and updates about our current projects and activities. These magazines are free and the member letter they are sent out with has a circulation of around 800 members. The magazines are also available on our websites and at our outreach events.

We also produced a daily Bible study series in 2020, called *Day by Day* which was published on our website www.daybyday.org.uk. Towards the end of 2020, the decision was made to review this project with an aim to overhaul the website and improve the quality of the studies. It was relaunched in early 2021 under the name *Word of Life* and is available at wordoflife.gracecom.church. The studies are made freely available and we also offer an email subscription allowing members and contacts to receive the study each day in their inbox. The project has a high proportion of international readers.

In response to the Covid pandemic, the Church began live streaming sermons and Bible studies on YouTube in March 2020. During this time our local congregations also reached out to offer support to our members and contacts through WhatsApp groups, Zoom gatherings, telephone calls and letters.

Due to the pandemic we had to cancel our celebratory festivals and retreats, as well as our Youth Camps (SEP and Adventure Camp). As an alternative we offered a week-long virtual celebration in October using a combination of Zoom and YouTube, which included special opportunities for all ages to connect.

Volunteers

We are greatly indebted to all our volunteers for their dedication, time and skills: in particular the over 100 voluntary pastoral workers, without whom the church and charity could not provide its services. This year was a particularly challenging year for our Church and we are very appreciative of our ministers, congregational leaders and pastoral council members who helped keep the connectivity alive in our Church in difficult circumstances.

We are also very grateful for those who help write, promote and produce our magazines *Because* and *Belong* and also our daily Bible study series *Day by Day* (now called *Word of Life*). In particular we would like to thank Nancy Silcox, our long-term volunteer editor for *Day by Day* who retired in 2020 after over a decade of hard work. We would also like to thank Geoff Sole who wrote weekly children’s lessons throughout the pandemic.

Finally, while our summer camps were not able to go ahead, we are very appreciative of those who work with our Youth and we look forward to when we will next be able to run our summer camps with them.

Public Benefit

GCI UK, as outlined above, carries out a large number of activities to achieve its aims and objectives. The Trustees consider that these activities provide a public benefit both in terms of the redemptive work of the Church

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as well as the social outreach the Church engages in, on regional, national and international levels. They have considered the guidance issued by both the Charity Commission and the Office of the Scottish Charity Regulator on Public Benefit in this regard. The Trustees would like to emphasise in particular the Church's desire to be inclusive, where we strive to make the services and events that we run open to all and endeavour not to present a financial barrier to attendance and participation.

ACHIEVEMENTS AND PERFORMANCE

Achievements and Performance Summary

The global coronavirus pandemic had a significant impact on our Church. Due to government regulations, our church services were halted during the first lockdown and many of our congregations did not resume physical services for the rest of 2020. Some of our events, such as our Scottish, Galway, Bridlington and Paignton celebrations, had to be cancelled as well as both our summer camps (SEP and Adventure Camp) and our denominational conference.

The pandemic also meant that some of our leadership development plans were delayed, with our coaching programme having to take place virtually and retreats for our developing leaders cancelled.

In response to the pandemic, the Church started a national YouTube live stream broadcast from scratch that produced three streams a week (two services and a Bible study) from March 2020 up until November 2020 when its schedule changed to one service and one Bible study a week to allow more space for local Zoom services. By the end of the year a significant number of our congregations were offering local Zoom services, and one of our congregations also offered a weekly Facebook live broadcast.

A particular highlight for the year was a week-long virtual celebration that took place in October and featured several presentations from guest speakers such as Dr Adesola Akala, Dr Robert Beckford and Dr Mike Higton. The event also featured regular Zoom prayer sessions, fellowship session, a quiz, an Adventure Camp session for our Youth and daily sermons.

For those without internet, many of our congregations arranged to send out CDs of sermons and we increased the frequency of our physical mailings and sent out two books to our members and contacts. The first book was *Five Things to Pray in a Global Pandemic* by Rachel Jones and the second book was *Where is God in a Coronavirus World?* by John C Lennox.

Over the Covid pandemic period three of our congregations offered support for homeless and low-income families – a soup kitchen offered in Llanelli and homeless outreach initiatives in Market Harborough and Glasgow.

A coaching training session was also held in 2020. This session was aimed to encourage and develop some of our ministers so that they can in turn support new leaders in the church and was held using Zoom. The training involved two cohorts and three days of training along with additional support material. A Developing Leaders group was set up in our Southern England region with sessions conducted using Zoom. We have also sponsored several of our volunteers and employees in the area of theological education, both with local UK institutions (e.g. the Queen's Foundation, Birmingham) as well as our denominational accredited seminary (www.gcs.edu) in the US and our denominational seminary in Australia (www.ambascol.org).

The management of the church has also been monitored regularly by the governance of its Board of Trustees. The Church has continued to keep its members well-informed, and to promote Christian values and ethics locally through its churches and nationally through its media outreach.

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The George Floyd protests had a significant impact on our church and a Zoom prayer meeting was held to support our Black members and contacts. The NMT made a public apology for historical racism in the Church and produced both a *Because* and *Belong* edition with a focus on the impact of the George Floyd protests and the evil of racism. The Board and employees underwent Diversity and Inclusion training in the last quarter of 2020. The Church is committed to tackling racism within the Church.

Administration & Management

The Board of Trustees continue their review of the Memorandum and Articles of Association of the charity to bring them up to date with current legislation and to take advantage of new technology that is available. The Board of Trustees hope to complete this process in 2021.

GCI UK has also continued to review and update its policies and to assess the risks facing the charity. During 2020 new Covid risk assessments and guidance were developed to help ensure that our congregations are able to safely return to physical services when able to do so.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Worldwide Church of God was incorporated as a company limited by guarantee in 1960 and registered as a charity in 1963. The charity is governed by a Memorandum and its Articles of Association dated 1 April 1960 and amended by Special Resolution on 1 June 1984, 1 August 1986, 6 February 2000, 23 July 2004, 14 July 2006, 27 October 2007, 2 August 2008, 17 July 2011, 2 September 2017 and 19 July 2020.

Method of Appointment or election of Trustees and Training Policies

As set out in the Articles of Association there are a minimum of five Trustees and a maximum of fifteen. As at 31 December 2020 there were eight Trustees. Trustees are elected in accordance with the Articles of Association for a term of three years and may serve if so elected, for three terms, before being required to step down for at least one year. Trustees are required to abide by the Code of Ethics for Elders and the Grace Communion International Statement of Beliefs as published by Grace Communion International USA (GCI HQ) based in Charlotte, USA.

Any new Trustee is given a copy of the Memorandum and Articles of Association. Induction is provided in the form of copies of previous minutes and copies of the latest Governance & Leadership magazine and Charity Commission News. Each new Trustee is provided with a copy of the guidance advice from the Charity Commission and Office of the Scottish Charity Regulator for new Trustees.

Trustees are also kept up to date with the availability of (fully funded) courses/seminars on Trustees' responsibilities.

Trustee Benefits

GCI UK does not give remuneration to Trustees for their role as Trustees. It does, however, help cover the costs of their travel and the training required or recommended for their duties as Trustees.

As permitted by the Articles of Association, each Trustee has the benefit of an indemnity, which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006.

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Organisational Structure and Decision Making

GCI UK is governed by a Board of Trustees, which meets at least four times a year to:

- Agree the policy of the charity
- Determine strategic direction and objectives
- Ratify major decisions on and monitor the use of finances
- Review management reports

Board Committees

Sub-committees, if necessary, are appointed on an ad-hoc basis and disbanded when they have completed the task for which they are formed. In 2020 there were two sub-committees: the National Ministry Team's remuneration sub-committee and the Leadership and Operational Structure sub-committee.

International Connections

GCI UK operates as an organisation associated with GCI HQ. Although capable of independent operation, GCI UK has willingly subordinated itself in doctrinal matters to the GCI HQ insofar as it does not bring our church and charity into conflict with UK laws.

Additionally, we have a working relationship with various Grace Communion International organisations overseas – in particular those based in Europe, and, upon the request of the President of GCI HQ, we have agreed that James Henderson, our former National Director and one of the UK's ministers, would act as the Denominational Superintendent for Europe. As he is not paid for this role, we have accordingly agreed to subsidise his expenses within our budgetary limitations.

In addition, we seek to support and value our international connections, although due to the difficulty in international travel throughout much of 2020, this was mostly limited to virtual support.

Operational management

In 2020, the general management and strategic planning were delegated to the NMT within the guidelines of the Board's Mission Statement and within the vision of the denomination. The NMT reported regularly to the Board and to GCI HQ and is supported by its staff with whom it consults regularly.

At the end of 2020 the Board appointed a Leadership and Organisational Structure sub-committee to review the leadership of the Church and in early 2021 agreed to move from a National Ministry Team to a National Ministry Leader. In May 2021, after having interviewed candidates, the Board of Trustees appointed Gavin Henderson as the new National Ministry Leader. The Board is keen for the new National Ministry Leader to continue to have a team-based approach.

Management Remuneration

The NMT's remuneration was determined by a sub-committee of the Board consisting of the Honorary Treasurer and GCI's European Superintendent. Staff salaries were set accordingly. The salaries of staff were seen and approved by the Board of Trustees at the November 2019 Board meeting where the budget for 2020 was approved. GCI UK seeks to ensure that its staff are paid appropriately but not excessively.

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FINANCIAL REVIEW

GCI UK ends 2020 positively from a financial perspective. While our income was affected by Covid, many of the donations we receive are sent to the Church directly either by cheque or bank transfer. This meant that our finances were not significantly affected by the inability to take up physical offerings. Our income was below our original budget for the year, but it remained well above our expenditure for the year.

The Covid pandemic significantly reduced our expenditure for the year. As all of our congregations meet in hired halls, which were not available to be hired due to the pandemic, we saved significant costs of hall hire. Travel and mileage expenses were also heavily reduced as most of our congregations were unable to meet throughout much of 2020. Expenditure was also reduced by the cancellation of our summer camps and denominational conference in 2020. The two significant areas where our expenditure increased were legal expenses (due to advice relating to a significant overhaul and modernisation of the church's Memorandum and Articles of Association) and computer costs.

The Church did not need to call upon any of its reserves in 2020.

Reserves Policy

The Board of Trustees has established that the level of reserves in cash or cash equivalent should be at least six months' operating expenses. This level of reserve was maintained throughout 2020. Following Charity Commission guidance any pension scheme surplus is not reflected in the level of reserves, as they do not represent an immediately realisable asset.

At 31 December 2020 the total funds comprised:

Unrestricted	£13,539
Restricted: Pension reserve	£284,000
Other	£2,390,263
	<u>£2,687,802</u>
	=====

Investment Powers and Policy

GCI UK's constitution allows the Board of Trustees to invest money not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

The Board of Trustees, having regard to the liquidity requirements of operating GCI UK and the reserves policy set out above, have operated a policy of keeping available funds in a 'Targeted Return Fund', with Barings Asset Management and Newton's 'Growth and Investment fund for charities' to provide a revenue stream for the charity and diversify investments. The Charity did not invest directly in the tobacco industry.

Fundraising

Most of the income for the Church comes from donations as opposed to fundraising. While the Church encourages members to support the Church financially, the Church stresses that members should only give as they are able. In 2020, a regular member letter was sent out in a mailshot. Each mailshot contained a donation envelope in case recipients wanted to help support the Church financially. In addition, some of our congregations occasionally took up offerings in Church services before the pandemic hit and our congregations had to stop physical meetings.

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The Church complies with the law as it applies to charities and fundraising and in 2020 did not use third party or professional fundraisers and received no complaints in relation to fundraising. Due to the very limited nature of the Church's active fundraising, the Church has not signed up to the code of fundraising practice — however, the Board keeps its position under review and are keen that the Church follows best fundraising practices. No specific fundraising activities are currently planned for 2021.

Indigenous Income

The income of GCI UK is predominantly derived from donations from its congregational members in Great Britain and Eire with occasional contributions from non-members. As in previous years, full advantage has been taken of Gift Aid tax relief on eligible donations.

Pension Scheme

The Pension and Life Assurance Plan of the Worldwide Church of God has been closed to new members since 2004. The recent scheme funding valuation showed the scheme had moved to a deficit having previously been in surplus. The last active member of the scheme retired in 2015 leaving only deferred members as non-insured liabilities. A recovery plan has been agreed with the church agreeing to make 4 equal instalments in 2020, 2021, 2022, and 2023 to address the deficit. The first instalment was paid in 2020.

Fiscal Responsibility

The Board of Trustees requires that the executive of GCI UK operate a balanced budget, based on anticipated Income and Expenditure for the year. The Board had determined that any income in excess of expenditure can be assigned to projects suggested by the NMT to the Board of Trustees. Until then funds should be invested to provide additional revenue for the Church in the future.

Risk management and internal controls

The Trustees ensure that major risks to which GCI UK is exposed are reviewed and assessed and that systems are in place to mitigate those risks. The Trustees have agreed a risk management policy for which they have overall responsibility. Operational responsibility was delegated by the Trustees to the National Ministry Team and their staff. A risk register identifies risks and assigns specific actions and responsibilities for mitigating the risks. The risk management process is on-going. The Trustees consider that a major risk is one that has a high likelihood of occurring and would, if it occurred, have a severe impact on operational performance. The National Ministry Team reported regularly to the Board of Trustees on major risks and how they are being managed.

The Trustees expect all staff and volunteers when engaging in any activity on behalf of GCI UK to consider the risks posed and to act in accordance with the risk management policy and procedure. All increases to on-going or new activities are risk assessed prior to being introduced or undertaken.

The Trustees want to be risk alert but do not wish to be averse to taking reasonable risks as part of its strategy to achieve the objectives of GCI UK. All key policies within the organisation were regularly reviewed and updated as appropriate to reflect legislative changes and the latest developments in this area. In particular new Covid risk assessments were made for the Church office and for all congregations that resumed physical services after the pandemic hit in March 2020.

The Board has identified four major risks to the Church. The first is the age of its membership. The increasing age of our volunteers means that some of our congregations are having to meet less frequently, and the increasing age of our members also has an impact on our finances as our regular donors retire etc. Another

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major risk to the Church is the Church's pension scheme, especially in light of the Covid-19 pandemic and the uncertainty about the UK's future relationship with the EU throughout much of 2020. The pension scheme was closed to new members in 2004, no longer has active members (only pensioners and deferred pensioners) — however, due to the size of the pension fund compared to our annual income, this remains a significant concern. The third risk facing the Charity involves the difficulty in returning to physical services after the prolonged absence caused by Covid. The leadership has encouraged local Zoom meetings and services to help combat this. Finally, the last risk facing the Church is the loss of members due to an upcoming change in the denomination's worship calendar. The Church is committed to making this change in a loving and caring way to try to mitigate this risk.

Third party indemnity insurance

The Church pays third party liability insurance in respect of the Trustees and senior management.

PLANS FOR THE FUTURE

The Church Leadership remains committed to developing leaders and hopes to develop additional cohorts in 2021. This is a key area for the Church with the hope that retreats will be able to be offered to developing leaders in the second half of 2021. The coaching programme, that began in 2020, will continue with the aim that this will offer support to future leaders.

The plan was for our summer camp, SEP, to return to Morfa Bay in 2021 in Wales, but this has been cancelled due to the Coronavirus pandemic. We are hopeful that Adventure Camp, our camp for 7-13 year olds, will be able to go ahead in 2021 if Covid restrictions are not re-imposed.

Plans are being developed to help further support our congregations as they return to physical services and many of our congregations are investigating how to have hybrid Zoom services that allow those who wish to attend in person to do so while also being available for those who are unable to attend physically. The Church is also planning on making its YouTube national stream permanent in order to support our members and contacts who are not able to attend a local congregation.

A particular focus in 2021 will be on evangelism with the hope to develop new initiatives and tools to help support our members and contacts.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Charity does not hold any such funds on behalf of any other organisations.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application

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of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently; and
- observe the methods and principles of the Charities SORP (FRS 102); and
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

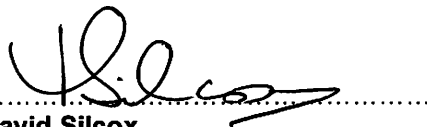
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved confirm that:

- So far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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



David Silcox
Chair of Trustees

Date: 15/8/21

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

Opinion

We have audited the financial statements of Worldwide Church of God (Also known as Grace Communion International) (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006, the Charities and Trustee investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL) (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company 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 Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL) (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 12 and 13, the Trustees (who are also the Directors of the Charity for the purposes of company law) 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 the Trustees 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44 (1) (C) of the Charities and Trustees Investment (Scotland) Act 2005 and the Companies Act 2006, and report in accordance with regulations made within those Acts.

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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indications of fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing Financial Statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL) (CONTINUED)

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Charity's Trustees as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an Auditors' 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 charitable company, the charitable company's members as a body and the charitable company's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Blundell

Helen Blundell LLB FCA FCIE DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson (Statutory Auditors)

Leicester, United Kingdom

Date: 18 August 2021

MHA MacIntyre Hudson is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Income from:					
Donations and legacies	2	-	588,598	588,598	664,973
Investments	3	-	46,571	46,571	53,038
Total income		-	635,169	635,169	<i>718,011</i>
Expenditure on:					
Charitable activities	4	-	370,651	370,651	630,001
Governance costs	5	-	41,936	41,936	30,137
Total expenditure		-	412,587	412,587	<i>660,138</i>
Net (losses)/gains on investments		-	(29,145)	(29,145)	147,483
Net movement in funds before other recognised gains/(losses)		-	193,437	193,437	<i>205,356</i>
Other recognised gains/(losses):					
Actuarial (losses)/gains on defined benefit pension schemes	20	-	(189,000)	(189,000)	201,000
Net movement in funds		-	4,437	4,437	<i>406,356</i>
Reconciliation of funds:					
Total funds brought forward		13,539	2,669,826	2,683,365	2,277,009
Net movement in funds		-	4,437	4,437	406,356
Total funds carried forward		13,539	2,674,263	2,687,802	<i>2,683,365</i>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 40 form part of these financial statements.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)
REGISTERED NUMBER: 00654913 (England & Wales)

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	As restated 2019 £
Fixed assets			
Tangible assets	11	199,511	208,103
Investments	12	1,424,980	1,454,125
		1,624,491	1,662,228
Current assets			
Debtors	13	108,284	101,346
Cash at bank and in hand	19	731,212	540,270
		839,496	641,616
Creditors: amounts falling due within one year	14	(60,185)	(59,479)
		779,311	582,137
Total assets less current liabilities		2,403,802	2,244,365
Defined benefit pension scheme asset	20	284,000	439,000
Total net assets		2,687,802	2,683,365
Charity funds			
Restricted funds	16	13,539	13,539
Unrestricted funds			
Unrestricted funds excluding pension asset	16	2,390,263	2,230,826
Pension reserve	16	284,000	439,000
Total unrestricted funds	16	2,674,263	2,669,826
Total funds		2,687,802	2,683,365

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

**(A Company Limited by Guarantee)
REGISTERED NUMBER: 00654913 (England & Wales)**

**BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020**

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



David Silcox
Chair of the Board of Trustees

Date: 15/8/21

The notes on pages 20 to 40 form part of these financial statements.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	As restated 2019 £
Cash flows from operating activities			
Net cash used in operating activities	18	163,766	39,489
		<hr/>	<hr/>
Cash flows from investing activities			
Dividends, interests and rents from investments	3	37,571	47,038
Proceeds from the sale of tangible fixed assets		-	43
Purchase of tangible fixed assets	11	(10,395)	(3,477)
		<hr/>	<hr/>
Net cash provided by investing activities		27,176	43,604
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		190,942	83,093
Cash and cash equivalents at the beginning of the year		540,270	457,177
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	19	731,212	540,270
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 20 to 40 form part of these financial statements

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies

1.1 Basis of preparation of financial statements

Worldwide Church of God is an incorporated Charity registered with the Charity Commission for England and Wales registration number 311098, and with OSCR in Scotland registration number SC040008. The company is registered in the UK, registration number 00654913.

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Worldwide Church of God (Also known as Grace Communion International) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Charity's functional and presentational currency is British Pound Sterling (£) and is rounded to the nearest pound (£).

The following principal accounting policies have been applied.

1.2 Company status

The Charity is a company limited by guarantee. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £7 per member of the Charity.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are included in the Trustees Report on page 3.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies (continued)

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Collections and donations are accounted for when they are received.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Direct costs are related support costs associated with preaching, pastoral care and the production and distribution of Charity literature. These are separately disclosed in the Statement of Financial Activities as Charitable Activities.

Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies (continued)

1.5 Fund accounting

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 and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Historically the Charity has taught the principle of tithing (which is the donation of ten percent of one's net income for the Charity's unrestricted use). Most of the Charity revenue consists of such unrestricted donations. Donations are used for the publishing of Charity literature, assistance for members which are more in need, operating expenses of the annual Church festivals, ministerial activities and maintenance of buildings, as seems appropriate by Charity doctrine. Restricted funds comprise amounts donated for specific objectives. They are expended in furtherance of certain aspects of the Charity. In the Trustees' opinion, at 31 December 2020, all donations received for specific purposes had been expended in accordance with, and in furtherance of, their intended purposes with the exception of of the restricted funds not yet utilised as detailed in note 16.

1.6 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

This consideration has taken into account the expected impact of Covid-19 on the Charity, as far as it can be determined, and the Trustees remain satisfied that the going concern principle remains appropriate.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.9 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold buildings	- 4% on a straight-line basis
Motor vehicles	- 25% on a straight-line basis
Fixture and fittings	- 10% and 20% on a straight-line basis

Freehold land is not depreciated.

Profit on disposal of fixed assets are included in net expenditure for the year.

1.11 Investments

Investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. The Statement of Financial Activities includes the unrealised and realised gains and losses arising on revaluations and disposals throughout the year.

Investments held as fixed assets are shown at fair value.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies (continued)

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Cash at bank and in hand

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

1.14 Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting 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 normally recognised at their settlement amount after allowing for any trade discounts due.

1.15 Pensions

Defined Contribution

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Defined Benefit

The Charity operates a defined benefit, fully insured pension scheme administered externally and the pension charge is based on a full actuarial valuation dated 21 May 2021 for the year ended 31 December 2020.

The scheme was closed to new entrants from 31 December 2002. Payments made to the funds are charged annually in these financial statements. The funds are actuarially valued on a regular basis by a qualified actuary, the rates of contributions payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates.

The amount charged to the Statement of Financial Activities is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations to the cost.

Any difference between amounts charged to the Statement of Financial Activities and contributions paid to the independent pension scheme is shown as a liability or asset at the balance sheet date. Further information on pension costs is shown in note 20.

A pension scheme asset is recognised in the Balance Sheet under FRS 102 to the extent that the Charity is able to recover the surplus through refunds or through a reduction in future contributions to the scheme.

1.16 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.17 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

1) Defined benefit pension schemes valuation

The FRS 102 valuation for the charitable company's Defined Benefit Pension Schemes is recognised in the Balance Sheet as an asset. This is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets. This is sensitive to change in the assumptions made by the actuaries who have been appointed to value the schemes. See note 20 for the assumptions made for the pension commitments, and note 1.15 for the pensions accounting policies.

2) Depreciation of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 11 for the carrying amount of the tangible fixed assets and note 1.10 for the useful economic lives for each class of assets.

2. Donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £
Donations	513,005	513,005
Legacies	-	-
Gift aid	75,593	75,593
Total 2020	588,598	588,598

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Donations and legacies (continued)

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	567,635	567,635
Legacies	18,468	18,468
Gift aid	78,870	78,870
<i>Total 2019</i>	<u>664,973</u>	<u>664,973</u>

3. Investment income

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	37,571	37,571
Pension income (note 10)	9,000	9,000
Total 2020	<u>46,571</u>	<u>46,571</u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Investment income	47,038	47,038
Pension income (note 10)	6,000	6,000
<i>Total 2019</i>	<u>53,038</u>	<u>53,038</u>

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Mileage and travel	7,978	7,978
Insurance	5,842	5,842
Other expenses	87,961	87,961
General assistance	8,285	8,285
Depreciation	18,987	18,987
Summer Educational Programme	7,638	7,638
Hall hire and rent	27,201	27,201
Wages and salaries	185,097	185,097
National insurance	15,437	15,437
Pension cost	6,225	6,225
Total 2020	370,651	370,651
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Mileage and travel	83,661	83,661
Insurance	10,939	10,939
Other expenses	93,535	93,535
General assistance	41,977	41,977
Depreciation	18,722	18,722
Summer Educational Programme	61,914	61,914
Hall hire and rent	101,693	101,693
Profit on disposal	(43)	(43)
Wages and salaries	196,300	196,300
National insurance	15,442	15,442
Pension cost	5,861	5,861
<i>Total 2019</i>	<i>630,001</i>	<i>630,001</i>

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5. Governance costs

	Unrestricted funds 2020 £	Total funds 2020 £
Auditors' remuneration	17,569	17,569
Professional fees	24,075	24,075
Board expenses	292	292
Total 2020	41,936	41,936

	Unrestricted funds 2019 £	Total funds 2019 £
Auditors' remuneration	19,802	19,802
Professional fees	7,176	7,176
Board expenses	3,159	3,159
<i>Total 2019</i>	<i>30,137</i>	<i>30,137</i>

6. Net income/(expenditure)

This is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	18,987	18,722
Operating lease rentals	1,330	1,060
Profit on disposal of tangible fixed assets	-	(43)

7. Auditors' remuneration

The Auditor's remuneration comprises audit fees of £17,569 (2019: £19,802) and fees for other non-audit services of £3,229 (2019: £450). This includes fees for the Charity and its pension scheme.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Staff costs

Staff costs were as follows:

	2020	<i>2019</i>
	£	£
Wages and salaries	185,097	<i>196,300</i>
Social security costs	15,437	<i>15,442</i>
Pension costs (note 20)	6,225	<i>5,861</i>
	206,759	<i>217,603</i>

The average number of persons employed by the Charity during the year was as follows:

	2020	<i>2019</i>
	No.	<i>No.</i>
Persons employed	8	<i>8</i>
Stipendiary persons employed	6	<i>8</i>
	14	<i>16</i>

No employee received remuneration amounting to more than £60,000 in either year.

The Key Management Personnel of the Charity are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Charity. The Key Management Personnel of the Charity comprise the National Ministry Team. The total employee benefits of the Key Management Personnel of the Charity (including employer national insurance and employer pension) amounted to £126,015 (2019: £119,037).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019: £Nil).

No retirement benefits were accruing to Trustees in respect of defined benefit pension schemes during the current and previous year.

No benefits in kind were received by Trustees during the current and previous year.

1 Trustee received reimbursement of expenses amounting to £67 (2019: 5 Trustees received £1,815).

Other related party transactions involving the Trustees are set out in note 22.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Pension finance income

	2020 £	2019 £
Interest income on pension scheme assets	196,000	275,000
Interest on pension scheme liabilities	(187,000)	(269,000)
	9,000	6,000
	9,000	6,000

11. Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 January 2020	359,256	4,714	232,188	596,158
Additions	-	-	10,395	10,395
At 31 December 2020	359,256	4,714	242,583	606,553
Depreciation				
At 1 January 2020	180,178	4,714	203,163	388,055
Charge for the year	11,598	-	7,389	18,987
At 31 December 2020	191,776	4,714	210,552	407,042
Net book value				
At 31 December 2020	167,480	-	32,031	199,511
At 31 December 2019	179,078	-	29,025	208,103

Freehold land and buildings includes freehold land, the value of which is estimated by the Trustees as being £69,324 (2019: £69,324), which has not been depreciated.

The most recent valuation on 15 May 2018 indicated that the value of the property is £305,000.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020 (as previously stated)	-
Prior year adjustment (see note 15)	1,454,125
At 1 January 2020 (as restated)	1,454,125
Revaluations	(29,145)
At 31 December 2020	1,424,980

The investments are invested in a number of investment funds including Clerical Medical Bonds, Canada Life Bonds, Newton Growth Fund and Barings Investment.

13. Debtors

	2020 £	2019 £
VAT repayable	7,968	7,715
Other debtors	23,708	11,280
Prepayments and accrued income	76,608	82,351
	108,284	101,346

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	24,563	14,587
Other creditors	10,407	10,407
Accruals	25,215	34,485
	<u>60,185</u>	<u>59,479</u>

15. Prior year adjustments

It has been identified that investment funds held have always been intentionally held by the Charity on a long term basis and not on a current basis. Therefore a prior year adjustment has been made to move the investments totalling £1,454,125 held on the Balance Sheet from current asset investments to fixed asset investments. There is no impact on the Statement of Financial Activities.

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Resources expended £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Charitable fund	2,230,826	626,169	(437,587)	(29,145)	2,390,263
Pension reserve (note 20)	439,000	9,000	25,000	(189,000)	284,000
	<u>2,669,826</u>	<u>635,169</u>	<u>(412,587)</u>	<u>(218,145)</u>	<u>2,674,263</u>
Restricted funds					
Restricted building fund	12,539	-	-	-	12,539
Restricted Africa fund	1,000	-	-	-	1,000
	<u>13,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,539</u>
Total of funds	<u>2,683,365</u>	<u>635,169</u>	<u>(412,587)</u>	<u>(218,145)</u>	<u>2,687,802</u>

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

16. **Statement of funds (continued)**

Unrestricted funds

Charitable funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds

The restricted building fund represents the balance of unspent funds received towards property related expenditure.

The restricted Africa fund is funded by the Estate of I King and is to be used for work in Africa.

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Resources expended £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2019 £</i>
Unrestricted funds					
Charitable fund	2,031,470	712,011	(660,138)	147,483	2,230,826
Pension reserve (note 20)	232,000	6,000	-	201,000	439,000
	<u>2,263,470</u>	<u>718,011</u>	<u>(660,138)</u>	<u>348,483</u>	<u>2,669,826</u>
Restricted funds					
Restricted building fund	12,539	-	-	-	12,539
Restricted Africa fund	1,000	-	-	-	1,000
	<u>13,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,539</u>
Total of funds	<u><u>2,277,009</u></u>	<u><u>718,011</u></u>	<u><u>(660,138)</u></u>	<u><u>348,483</u></u>	<u><u>2,683,365</u></u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	199,511	199,511
Fixed asset investments	-	1,424,980	1,424,980
Current assets	13,539	825,957	839,496
Current liabilities	-	(60,185)	(60,185)
Pension reserve	-	284,000	284,000
Total 2020	<u><u>13,539</u></u>	<u><u>2,674,263</u></u>	<u><u>2,687,802</u></u>

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2019 As restated £</i>	<i>Unrestricted funds 2019 As restated £</i>	<i>Total funds 2019 As restated £</i>
Tangible fixed assets	-	208,103	208,103
Fixed asset investments	-	1,454,125	1,454,125
Current assets	13,539	628,077	641,616
Current liabilities	-	(59,479)	(59,479)
Pension reserve	-	439,000	439,000
Total 2019	<u>13,539</u>	<u>2,669,826</u>	<u>2,683,365</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income for the year (as per Statement of Financial Activities)	193,437	205,356
Adjustments for:		
Depreciation charges	18,987	18,722
Losses/(gains) on investments	29,145	(147,483)
Interest and rents from investments	(37,571)	(47,038)
Pension scheme finance income	(9,000)	(6,000)
(Increase)/decrease in debtors	(6,938)	8,137
Increase in creditors	706	7,838
Profit on sale of tangible fixed assets	-	(43)
Pension scheme contributions by the employer	(25,000)	-
Net cash provided by operating activities	<u>163,766</u>	<u>39,489</u>

WORLDWIDE CHURCH OF GOD (ALSO KNOWN AS GRACE COMMUNION INTERNATIONAL)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

19. Analysis of cash and cash equivalents

	2020 £	<i>As restated</i> 2019 £
Cash in hand	731,212	540,270
Total cash and cash equivalents	731,212	540,270

	At 1 January 2020 As restated £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	540,270	190,942	731,212
		-	-
	540,270	190,942	731,212

20. Pension commitments

Defined contribution pension scheme

The Charity is part of the NEST defined contribution pension scheme.

Contributions to the pension scheme recognised as an expense in the year was £6,225 (2019: £5,861).

The defined contribution asset is allocated to unrestricted funds.

Defined benefit group stakeholder pension scheme

The Charity operates a defined benefit group stakeholder pension scheme for its employees, which is funded.

The pension cost and asset for the year ending 31 December 2020 are based on the advice of a professionally qualified actuary. The most recent formal valuation is 21 May 2021.

The scheme was closed to new entrants with effect from 31 December 2002.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2020 %	2019 %
Discount rate	1.30	2.00
Future pension increases	2.40	2.30
Consumer price inflation	2.40	2.30

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20. Pension commitments (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2020 Years	2019 Years
Mortality rates (in years)		
- for a male aged 65 now	21.2	21.2
- at 65 for a male aged 45 now	22.9	22.9
- for a female aged 65 now	23.1	23.1
- at 65 for a female aged 45 now	25.0	24.9

The Charity's share of the assets in the scheme was:

	Fair value at 31 December 2020 £	Fair value at 31 December 2019 £
Equities (including property)	1,210,000	1,182,000
Bonds	572,000	573,000
Insured pensions	8,206,000	8,045,000
Cash	211,000	262,000
Total fair value of assets	10,199,000	10,062,000

The actual return on scheme assets was £657,000 (2019 : £131,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2020 £	2019 £
Interest income	(196,000)	(275,000)
Interest cost	187,000	269,000
Total amount recognised in the Statement of Financial Activities	(9,000)	(6,000)

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20. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2020 £	2019 £
Opening defined benefit obligation	9,623,000	10,223,000
Interest cost	187,000	269,000
Actuarial losses/(gains)	650,000	(345,000)
Benefits paid	(545,000)	(524,000)
Closing defined benefit obligation	9,915,000	9,623,000

Changes in the fair value of scheme assets were as follows:

	2020 £	2019 £
Opening fair value of scheme assets	10,062,000	10,455,000
Interest income	196,000	275,000
Actuarial gains/(losses)	461,000	(144,000)
Benefits paid	(545,000)	(524,000)
Contributions by the employer	25,000	-
Closing fair value of scheme assets	10,199,000	10,062,000

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20. Pension commitments (continued)

Net Actuarial losses in the year amounted to £189,000 (2019: gains £201,000).

The Charity expects to contribute £24,900 to its Defined Benefit Pension Scheme in 2021.

Amounts for the current and previous year are as follows:

Defined benefit pension schemes

	2020 £	2019 £
Defined benefit obligation	(9,915,000)	(9,623,000)
Scheme assets	10,199,000	10,062,000
Surplus	284,000	439,000
Experience adjustments on scheme liabilities	(650,000)	345,000
Experience adjustments on scheme assets	461,000	(144,000)
	(189,000)	201,000

21. Operating lease commitments

At 31 December 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	1,330	1,330
Later than 1 year and not later than 5 years	270	1,600
	1,600	2,930

22. Related party transactions

No related party transactions took place in the year ended 31 December 2020, other than those disclosed in note 9.

23. Controlling party

The Charity is ultimately controlled by the Board of Trustees.

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24. Company limited by guarantee

The Charity is a Company limited by guarantee and does not have share capital.