

graceLondon

# Report and Accounts

year ended 31 March 2019

stewardship<sup>®</sup>

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**GRACE LONDON**  
**CHARITY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2019**

<b>Trustees</b>	ANDREW HASLAM DANIEL HUTTON LUKE BOARDMAN (Appointed: 17 September 2019) EUGENE CHIAM (Resigned: 18 September 2019)
<b>Key Staff</b>	ANDREW HASLAM JEREMY MOSES
<b>Governing Document</b>	CIO Constitution Registered 1st April 2015
<b>Charity Registration Number</b>	1161147
<b>Principal Address</b>	Unit 124, Edinburgh House 170 Kennington Lane London SE11 5DP
<b>Independent Examiner</b>	Lisa Darby ACA Stewardship 1 Lamb's Passage London EC1Y 8AB
<b>Bankers</b>	CAF Bank Ltd

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**GRACE LONDON**  
**TRUSTEES' ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

The trustees have pleasure in submitting the Report and Accounts for the year.

**Objects of the charity**

The charity is a charitable incorporated organisation and is governed by its Constitution. The objects of the charity, as set out in the governing document are:

To advance the Christian faith for the benefit of the public in accordance with the Statement of Faith in London and in such other parts of the United Kingdom and the world as the charity trustees may from time to time think fit.

The Church's Statement of Faith is appended to the Constitution and set out on the Church's website ([grace.london/statement-of-faith](http://grace.london/statement-of-faith)).

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

To further the above objects and vision, the charity's main activities and achievements were as follows:

**Regular activities**

During the Relevant Period the Church has continued its regular rhythm of weekly and monthly meetings. The Church began having a second service (on Sunday evenings) in January 2018, and total attendance across both services grew during the Relevant Period from 122 (April 2018) to 223 (March 2019). The Trustees estimate that approximately 20%+ of attendees at any Sunday service would consider themselves to be visitors (rather than committed, regular attendees (members)). Both services continued to be held at Coin Street Neighbourhood Centre in London throughout the Relevant Period. Our Sunday services consist primarily of expository preaching from the Bible, times of corporate sung worship and prayer, and we share the Lord's Supper each week.

The Church continued weekly 'Life Group' meetings that took place in homes across South and Central London. Life Groups provide opportunities for attendees to welcome new visitors and deepen existing relationships, to exercise gifts of service, hospitality and teaching, and to grow in faith, Biblical knowledge and discipleship. Life Groups have continued to be largely aligned with either the morning or evening services to foster strong relationships for those meeting with the same people both on Sundays and midweek. During the Relevant Period, 6 new groups were started and 2 were disbanded, leaving us with a total of 13 life groups in April 2019.

The Church continued to meet monthly for corporate prayer and worship meetings called "Upper Room". The Upper Room meetings are wonderful times of prayer, worship and teaching on what it means to be a Spirit-filled Christian. The church also held its first Weekend Away in April 2018. This was a wonderful opportunity for the church family to gather together, build deeper relationships and sit under some edifying teaching from Andrew Haslam and Tim Chaddick. 95 people from the church family joined us for the weekend.

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**TRUSTEES' ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2019**

There were also, as always, many informal, one-to-one discipleship meetings happening throughout the Relevant Period.

**Staff team**

James Worringer ended his volunteer internship with the Church during the Relevant Period.

In June 2018, Lucy Ormiston joined us as Operations, Volunteers and Events Manager. Lucy worked alongside Andrew and Jeremy who were working in more pastoral roles.

**Outreach efforts**

In furtherance of its objects, the Church has continued to share the good news of Jesus Christ through both live events and digital media / online publishing.

**Salt**

'Salt' is a series of articles published online by the Church on a weekly basis with the purpose of engaging with thoughtful Londoners on matters of faith, philosophy and life. Salt articles are written and edited by a small team made of Church members and cover a wide range of topics (visit <https://salt.london/>).

**Salt Live**

The Church continued to host 'Salt Live' evangelistic events during the Relevant Period. These events addressed topics such as "Does science disprove God?" and "Does religion poison everything?". Salt Live events were hosted at Coin Street, with speakers drawn from the Church staff or guest speakers, and were increasingly popular, attracting a wide spectrum of attendees including a large number of secular Londoners.

**Salt Course**

Following on from the Salt Live events, the Church hosted a short course called the Salt Course. These six-week courses were designed for anyone interested in learning more about Christianity and was well-received by those who participated in the courses. We ran one course in October/November 2018 and another in February/March 2019. A number of individuals who participated in the courses have subsequently joined the Church and Life Groups, including at least two people who have committed their lives to follow Christ. The Church is very grateful to everyone involved in making the 'Salt' initiatives so impactful.

**Children's ministry**

During the Relevant Period, the children's ministry continued operating during the morning service each week. The number of children attending groups continued to grow, as did the team of volunteers. A new group was started to facilitate the discipleship of 7-11 year olds ('Grace 7UP'). As before, all volunteers were required to complete background checks, have training with the children's ministry leader and confirm their understanding of and commitment to the Church's safeguarding policy.

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**Relationships with other churches and individuals**

The Trustees believe that the objects of the Church are best accomplished in relationship with other churches and people through movements such as Advance. Advance is a global movement of churches partnering together to advance the Gospel (i.e. the message of the Christian faith) through planting and strengthening churches ([www.advancemovement.com](http://www.advancemovement.com)). The Church has continued to benefit from its relationship with Advance during the Relevant Period, including by attending Advance conferences and by receiving training and/or preaching ministry from individuals from other Advance churches (including Matt Hosier, and Donnie Griggs). The Church continues to enjoy informal but close relationships with other churches and individual Christians around the world.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

**Structure, governance and management**

In accordance with the Church's Constitution, the policy and operating decisions of the Church rest with the Trustees and, ultimately, the members of the Church (as that word is defined in the Constitution). However, much of the day-to-day responsibilities in the life of the Church are delegated to the Church's staff team and volunteers.

The Trustees meet regularly for the purpose of monitoring the activities of, and taking decisions in relation to, the Church. In addition to regular meetings, the Trustees communicate frequently. All financial payments from the Church's online banking facility with CAF Bank require validation/authorisation from a second member of the Trustee and/or finance teams.

The Trustees during the Relevant Period (Andrew Haslam, Eugene Chiam and Daniel Hutton) were the first charity trustees of the Church appointed in accordance with clause 12(4) of the Constitution. The Constitution provides that new charity trustees will be appointed by the members of the Church (clause 13), and new charity trustees will be provided with a copy of the Constitution (and any amendments to it) as well as the latest trustees' annual report and statement of accounts (clause 14). The Church's annual general meeting was held on 20 January 2019. During the annual general meeting, Andrew Haslam retired from office and was subsequently reappointed as a charity trustee, in accordance with clauses 13 and 16 of the Constitution.

Andrew Haslam continued to be employed as Senior Pastor of the Church during the Relevant Period. The employment of Mr Haslam, who is also a Trustee, is in accordance with clause 6 of the Constitution ('Benefits and payments to charity trustees and connected persons'). Mr Haslam's employment and remuneration do not relate to his role as a Trustee of the Church.

**GRACE LONDON**  
**TRUSTEES' ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**Financial review**

During the year income increased by £63,906, to £314,356, and expenditure increased by £122,487, to £316,345. As a result the net income for the year decreased by £58,581, to a deficit of £1,990 and the charity's net assets decreased by the same amount, to £135,888. Net current assets decreased by £1,654 to £126,050.

Income in the Relevant Period was predominantly due to the generous donations of the Grace London community.

The hiring of a third full-time employee during the Relevant Period led to higher payroll costs, which accounted for 50% of the rise in expenditures, and 44% of total expenditures (FY17/18: 40%). Rent and conference venue expenses fell to 29% of expenditures (FY17/18: 34%), reflecting our continued use of the Coin Street Neighbourhood Centre even as the congregation size expanded.

Total grants and gifts by Grace London to missionary and charitable causes aligned with our objectives rose to 11% of expenditures (FY17/18: 9%). The bulk of these funds (£23,774) went towards supporting other UK-based churches and church-planting, with a further £8,849 going towards supporting the work amongst the churches in the Advance network overseas.

The previous year's accounts were prepared using the receipts and payments basis but, this year, the charity was obliged to prepare its accounts using the accruals basis as total income had grown beyond the threshold requiring use of the accruals basis.

**Reserves policy**

The trustees have determined that the charity should aim to hold unrestricted cash of 1.5 months' of payroll and rent expenditure (which equates to about £26,000 at the financial year end and £28,500 since end-July 2019) in the designated fund for general reserves so that the charity could continue to operate should income and / or expenditure vary adversely. At the year end, the charity held unrestricted cash in the designated fund for general reserves of £26,015 and the charity is complying with its reserves policy.

**Key risks and uncertainties**

The charity is exposed to various risks - be they operational, financial or reputational. The trustees review the charity's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks.

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**FOR THE YEAR ENDED 31 MARCH 2019**

**Plans for the future**

Our hope looking forward is to start many new churches, and to continue the slow and deliberate work of helping each person who comes through our doors discover more about Jesus and his amazing life, and find themselves amidst a family in the heart of the metropolis. As part of this vision, we moved the venue of our regular mid-week and Sunday gatherings to the London Nautical School (LNS) along Stamford Street from August 2019. The LNS has a larger capacity to accommodate our growing congregation for the coming years.

**Responsibilities of trustees under charity law**

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable incorporated organisation as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Approval**

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

Luke Boardman

Date: 28 January 2020

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE TRUSTEES OF**

#### **GRACE LONDON ('the Charity')**

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 March 2019 on pages 8 to 17 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 11.

#### **Responsibilities and basis of report**

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

I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

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

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Lisa Darby ACA  
Institute of Chartered Accountants in England and Wales

29/1/2020

Stewardship  
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**GRACE LONDON**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds FY18/19 £	Total Funds FY17/18 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	312,418	150	312,568	248,154
Investments		26	-	26	13
Other income		1,762	-	1,762	2,283
<b>Total income and endowments</b>		<u>314,206</u>	<u>150</u>	<u>314,356</u>	<u>250,450</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	4	316,345	-	316,345	193,859
<b>Total expenditure</b>		<u>316,345</u>	<u>-</u>	<u>316,345</u>	<u>193,859</u>
<b>Net income/(expenditure)</b>		<u>(2,140)</u>	<u>150</u>	<u>(1,990)</u>	<u>56,592</u>
<b>Transfers between funds</b>	11	-	-	-	-
		<u>(2,140)</u>	<u>150</u>	<u>(1,990)</u>	<u>56,592</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		135,888	-	135,888	79,296
<b>Total funds carried forward</b>	11	<u>133,748</u>	<u>150</u>	<u>133,898</u>	<u>135,888</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The notes on page 10 - 17 form part of these accounts.

**GRACE LONDON**  
**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted Funds				Total Funds	Unrestricted Funds				Total Funds
		General Funds	Designated Funds	Restricted Funds	31 Mar 2019	£	General Funds	Designated Funds	Restricted Funds	31st Mar 2018	£
<b>FIXED ASSETS</b>		£	£	£		£	£	£	£		£
Tangible assets	6	9,502	-	-	9,502		9,838	-	-	9,838	
		<u>9,502</u>	<u>-</u>	<u>-</u>	<u>9,502</u>		<u>9,838</u>	<u>-</u>	<u>-</u>	<u>9,838</u>	
<b>CURRENT ASSETS</b>											
Debtors	7	32,806	-	-	32,806		14,843	-	-	14,843	
Cash at bank and in hand	8	76,767	31,048	150	107,965		98,551	27,856	-	126,407	
		<u>109,572</u>	<u>31,048</u>	<u>150</u>	<u>140,771</u>		<u>113,394</u>	<u>27,856</u>	<u>-</u>	<u>141,250</u>	
<b>CREDITORS: Amounts falling due within one year</b>	9	11,085	5,289	-	16,374		11,794	3,406	-	15,200	
		<u>98,487</u>	<u>25,759</u>	<u>150</u>	<u>124,396</u>		<u>101,601</u>	<u>24,450</u>	<u>-</u>	<u>126,050</u>	
<b>Net current assets / (liabilities)</b>											
		<u>107,989</u>	<u>25,759</u>	<u>150</u>	<u>133,898</u>		<u>111,438</u>	<u>24,450</u>	<u>-</u>	<u>135,888</u>	
<b>TOTAL NET ASSETS</b>											
		<u>107,989</u>	<u>25,759</u>	<u>150</u>	<u>133,898</u>		<u>111,438</u>	<u>24,450</u>	<u>-</u>	<u>135,888</u>	
<b>FUND BALANCES</b>	11										
Unrestricted Funds											
General funds		107,989	-	-	107,989		111,438	-	-	111,438	
Designated funds		-	25,759	-	25,759		-	24,450	-	24,450	
		<u>107,989</u>	<u>25,759</u>	<u>-</u>	<u>133,748</u>		<u>111,438</u>	<u>24,450</u>	<u>-</u>	<u>135,888</u>	
Restricted Funds		-	-	150	150		-	-	-	-	
		<u>107,989</u>	<u>25,759</u>	<u>150</u>	<u>133,898</u>		<u>111,438</u>	<u>24,450</u>	<u>-</u>	<u>135,888</u>	

The financial statements were approved by the Board of Trustees on 28 January 2020 and were signed on its behalf by:

Luke Boardman

Charity number: 1161147

The notes on page 10 - 17 form part of these accounts.

**GRACE LONDON**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**1 Statutory Information**

The charity is a charitable incorporated organisation registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

**2 Accounting Policies**

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The previous year's accounts were prepared using the receipts and payments basis but, this year, the charity was obliged to prepare its accounts using the accruals basis. The results for FY17/18, which are comparatives quoted in these accounts, have been restated using the accruals basis (see note 13 for details).

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) The charity relies on volunteers to carry out many of its activities, particularly events management, hospitality, pastoral care services, logistics, administration and sung worship leading. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

**GRACE LONDON**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

d) 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. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects. Endowment funds are donations that are retained as capital in accordance with the donor's wishes. The nature of the restriction determines whether the endowments represent permanent endowments or expendable endowments.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £50 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Equipment	Over 3 years
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The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

g) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

h) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

**3 Donations and legacies**

	Unrestricted Funds	Restricted Funds	Total FY18/19	Total FY17/18
	£	£	£	£
Donations of cash and similar	268,485	150	268,635	208,942
Income tax recoverable	43,933	-	43,933	39,212
	<u>312,418</u>	<u>150</u>	<u>312,568</u>	<u>248,154</u>

**GRACE LONDON**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**4 Charitable expenditure**

	Unrestricted Funds £	Restricted Funds £	Total FY18/19 £	Total FY17/18 £
<b>a Costs incurred directly on specific activities</b>				
Books & Training Material	1,919	-	1,919	5,469
Conference Fees	5,084	-	5,084	1,267
Conference Food & Accommodation Charges	5,939	-	5,939	1,153
General Expenses	11,684	-	11,684	1,818
Hospitality Food and Drink	15,913	-	15,913	5,391
Pastoral Meetings Expenses	347	-	347	515
Preaching Honorariums and Hospitality	3,037	-	3,037	1,479
Rent	71,391	-	71,391	65,227
Grants payable (note 5c)	34,123	-	34,123	16,485
	<u>149,436</u>	<u>-</u>	<u>149,436</u>	<u>98,803</u>
<b>b Costs incurred on support &amp; administration</b>				
Governance costs				
Independent examiner's fee	1,680	-	1,680	600
Other	-	-	-	-
	<u>1,680</u>	<u>-</u>	<u>1,680</u>	<u>600</u>
Bank Fees	120	-	120	120
Depreciation Expense	6,550	-	6,550	5,096
Employers National Insurance	35,175	-	35,175	22,719
Insurance	759	-	759	442
IT Software and Consumables	1,869	-	1,869	1,771
Licensing and Subscriptions	1,276	-	1,276	586
Pensions Costs	10,716	-	10,716	6,144
Postage, Freight & Courier	65	-	65	43
Professional Printing, Advertising & Marketing	3,822	-	3,822	2,089
Salaries	92,919	-	92,919	48,588
Staff Meeting Expenses	1,057	-	1,057	1,839
Stationery and Office Supplies	2,310	-	2,310	1,460
Telephone & Internet	882	-	882	614
Travel - International	6,044	-	6,044	1,618
Travel - National	1,665	-	1,665	1,326
	<u>166,909</u>	<u>-</u>	<u>166,909</u>	<u>95,055</u>
<b>Total expenditure</b>	<u>316,345</u>	<u>-</u>	<u>316,345</u>	<u>193,859</u>

The fee payable to the independent examiner for preparing and examining the accounts was £1,680 (FY17/18: £1,100).

**GRACE LONDON**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**c Grants payable**

	Institutions £	Individuals £	FY18/19 £
Grants for UK and overseas mission	32,623	1,500	34,123
	<u>32,623</u>	<u>1,500</u>	<u>34,123</u>

The comparatives for the previous year are as follows:

	Institutions £	Individuals £	FY 17/18 £
Grants for UK and overseas mission	12,360	825	13,185
Grants for [the relief of poverty]	-	-	-
Grants for education, including ministry training	-	3,300	3,300
	<u>12,360</u>	<u>4,125</u>	<u>16,485</u>

The charity's principal grants to institutions comprised:

	FY18/19 £	FY17/18 £
Advance Network UK	8,774	7,416
Advance Network Global	5,849	4,944
Hope Church Rhondda Valley	5,000	-
Cornerstone Church Newcastle	5,000	-
Grace Church Cardiff	5,000	-
Maryland Church Plant (via Advance Network North America)	3,000	-
	<u>32,623</u>	<u>12,360</u>

**5 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses**

The average monthly number of employees during the year was 2.8 (FY17/18: 1.6). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Charity Information page. Total employment benefits payable to key management for the year were as follows:

	Wages & salaries	Other employment benefits	Employer pension contributions	FY18/19 £
Trustees:				
Andrew Haslam	52,000	-	4,160	56,160
Daniel Hutton	-	-	-	-
Eugene Chiam	-	-	-	-
Other members of key management	44,500	-	3,560	48,060
				<u>104,220</u>

The following amounts were payable in the previous year:

	Wages & salaries	Other employment benefits	Employer pension contributions	FY17/18 £
Trustees:				
Andrew Haslam	46,500	-	3,720	50,220
Daniel Hutton	-	-	-	-
Eugene Chiam	-	-	-	-
Other members of key management	21,000	-	1,680	22,680
				<u>72,900</u>

Andrew Haslam served as a Senior Pastor and received the above payments for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document.

**GRACE LONDON**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**6 Tangible fixed assets**

	Fixtures, fittings and equipment £	Total FY18/19 £
Cost		
At 1 April 2018	19,426	19,426
Additions	6,325	6,325
Gains / (losses) on revaluation		-
Disposals	(111)	(111)
At 31 March 2019	<u>25,640</u>	<u>25,640</u>
Accumulated depreciation		
At 1 April 2018	9,589	9,589
Charge for the year	6,550	6,550
Eliminated on disposal	-	-
At 31 March 2019	<u>16,139</u>	<u>16,139</u>
Net book value		
At 31 March 2019	<u>9,502</u>	<u>9,502</u>
At 31 March 2018	<u>9,838</u>	<u>9,838</u>

**7 Debtors**

	FY18/19 £	FY17/18 £
<b>Falling due within one year:</b>		
Trade debtors	13,212	11,693
Tax recoverable	-	525
Prepayments and accrued income	19,594	2,624
<b>Total debtors</b>	<u>32,806</u>	<u>14,843</u>

**8 Cash at Bank and in Hand**

	FY18/19 £	FY17/18 £
Cash at bank with immediate access	<u>107,965</u>	<u>126,407</u>
	<u>107,965</u>	<u>126,407</u>

**9 Creditors: liabilities falling due within one year**

	FY18/19 £	FY17/18 £
Trade creditors	10,879	13,648
Other creditors	-	442
Accruals	1,680	1,110
Taxes and Social security	3,815	-
	<u>16,374</u>	<u>15,200</u>

**10 Pension commitments**

During the year employer's pension contributions totalling £10,716 (FY17/18: £6,144) were payable to defined contribution personal pension schemes. No pension contributions were owing at the balance sheet date (FY17/18: £nil).

**GRACE LONDON**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**11 Funds**

During the year the movements in the charity's funds were as follows:

	Opening balance FY18/19 £	Incoming resources FY18/19 £	Outgoing resources FY18/19 £	Transfers in the year FY18/19 £	Closing balance FY18/19 £
<i>Designated Funds</i>					
General Reserves fund	25,989	26	-	-	26,015
Giving to Advance grant fund	(1,540)	-	(14,623)	15,907	(256)
Other Giving grant fund	-	-	(19,500)	19,500	-
	<u>24,450</u>	<u>26</u>	<u>(34,123)</u>	<u>35,407</u>	<u>25,759</u>
<i>General Unrestricted Funds</i>	<u>111,438</u>	<u>314,180</u>	<u>(282,222)</u>	<u>(35,407)</u>	<u>107,989</u>
Total Unrestricted Funds	<u>135,888</u>	<u>314,206</u>	<u>(316,345)</u>	<u>-</u>	<u>133,748</u>
<i>Restricted Funds</i>					
Salt ministry / fund	-	150	-	-	150
	<u>-</u>	<u>150</u>	<u>-</u>	<u>-</u>	<u>150</u>
Aggregate of funds	<u>135,888</u>	<u>314,356</u>	<u>(316,345)</u>	<u>-</u>	<u>133,898</u>

In the previous year the movements in the charity's funds were as follows:

	Opening balance FY17/18 £	Incoming resources FY17/18 £	Outgoing resources FY17/18 £	Transfers in the year FY17/18 £	Closing balance FY17/18 £
<i>Designated Funds</i>					
General Reserves fund	23,989	-	-	2,000	25,989
Giving to Advance grant fund	518	-	(12,360)	10,302	(1,540)
	<u>24,508</u>	<u>-</u>	<u>(12,360)</u>	<u>12,302</u>	<u>24,450</u>
<i>General Unrestricted Funds</i>	<u>54,760</u>	<u>246,325</u>	<u>(177,374)</u>	<u>(12,273)</u>	<u>111,438</u>
Total Unrestricted Funds	<u>79,267</u>	<u>246,325</u>	<u>(189,734)</u>	<u>29</u>	<u>135,888</u>
<i>Restricted Funds</i>					
Lebanon Maids Project fund	29	-	-	(29)	-
Missionary individual training/support fund	-	4,125	(4,125)	-	-
	<u>29</u>	<u>4,125</u>	<u>(4,125)</u>	<u>(29)</u>	<u>-</u>
Aggregate of funds	<u>79,296</u>	<u>250,450</u>	<u>(193,859)</u>	<u>0</u>	<u>135,888</u>



**GRACE LONDON**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

General Reserves Fund: Contingent funds designated for use in exceptional financial circumstances. The use of these funds are governed by the trustees' reserves policy, which targets a maintenance of an average of 1.5 months of payroll and rent payments, and the drawing down of such funds should be complemented by a trustees' rationale and plan to recover the reserves target level. No transfers were made from general funds to the General Reserves Fund in FY18/19 (FY17/18: £2,000) as the General Reserves level was in line with the Trustees' reserves policy.

Giving to Advance grant fund: Funds designated for fulfilling the Trustees' voluntary giving pledge to support financially, the Advance Network's operations in the UK and internationally. Net transfers of £15,907 were made in FY18/19 (FY17/18: £10,302) from general funds into this designated fund for fulfill giving pledges to the Advance Network in the UK and abroad.

Other Giving grant fund: Funds designated for fulfilling the Trustees' voluntary giving pledge to support organisations and individuals in their operations to further objectives aligned with those of Grace London's or are suitable beneficiaries of charitable support as discerned by the Trustees. Net transfers of £19,500 were made in FY18/19 (FY17/18: £0) from general funds to this designated fund to fulfill discretionary donations to the organisations and individual.

Salt Ministry fund: Funds began being collected in FY18/19 and are restricted for the purpose of the Salt project aiming to engage Londoners on issues of faith, philosophy and life through articles, events and courses. No transfers were made from general funds to this restricted fund in FY18/19.

Lebanon Maids Project fund (discontinued): Funds were restricted to being used by a missionary individual for the purpose of efforts to share the Christian message with domestic maids in Lebanon, and were transferred directly to the missionary individual's account.

Missionary individual training/support fund (discontinued): Funds were restricted for funding the training fees and basic living expenses of a missionary individual working for a partner church in Wales. The funds were transferred according to the instructions of the donors, and paid directly to the training school and the missionary individual respectively.

Salt Ministry fund: Funds began being collected in FY18/19 and are restricted for the purpose of the Salt project aiming to engage Londoners on issues of faith, philosophy and life through articles, events and courses. No transfers were made from general funds to this restricted fund in FY18/19.

Lebanon Maids Project fund (discontinued): Funds were restricted to being used by a missionary individual for the purpose of efforts to share the Christian message with domestic maids in Lebanon, and were transferred directly to the missionary individual's account.

## **12 Transactions with related parties**

During the year the charity:

- a) received donations totalling £31,609 (FY17/18: £34,890) from related parties (which includes trustees, anyone closely connected to them and key management).
- b) No expenses (FY17/18: £0) were paid to, or for, the trustees. Reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

**GRACE LONDON**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**13 Reconciliation with previously reported funds**

In the previous year the charity prepared its accounts using the receipts and payments basis; in the current year the charity's income exceeded £250,000 and so it is now obliged to use the accruals basis for the preparation of its accounts. The comparatives presented in these accounts have been re-stated using the accruals basis and a reconciliation with the reserves and results reported previously follows:

*Reconciliation of reserves*

	FY17/18	FY16/17
	£	£
Previously reported reserves, at 31 March 2018	131,237	67,165
Adjustments arising from use of accruals basis:		
Inclusion of previously excluded bank reconciliation movements	(4,830)	
Inclusion of previously excluded fixed assets	9,838	7,684
Inclusion of previously excluded debtors	14,843	6,808
Inclusion of previously excluded creditors	(15,200)	(2,361)
Re-stated reserves, at 31 March 2019	<u>135,888</u>	<u>79,296</u>

*Reconciliation of results*

	FY17/18
	£
Previously reported results	64,071
Adjustments arising from use of accruals basis:	
Capitalised expenditure less depreciation	2,154
Movement in bank due to bank reconciling items	(4,830)
Movements in debtors resulting in the recognition of more / (less) income	8,036
Movements in creditors resulting in the recognition of less / (more) expenditure	(12,839)
Re-stated results	<u>56,592</u>

**GRACE LONDON**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES**  
**FOR THE YEAR ENDED 31 MARCH 2019**

		Unrestricted Funds - General		Unrestricted Funds - Designated		Restricted Funds		Total Funds	Total Funds
	Note	FY18/19	FY17/18	FY18/19	FY17/18	FY18/19	FY17/18	FY18/19	FY17/18
		£	£	£	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM:</b>									
Donations and legacies	3	312,418	244,029	-	-	150	4,125	312,568	248,154
Investments		-	13	26	-	-	-	26	13
Other income		1,762	2,283	-	-	-	-	1,762	2,283
<b>Total income and endowments</b>		<b>314,180</b>	<b>246,325</b>	<b>26</b>	<b>-</b>	<b>150</b>	<b>4,125</b>	<b>314,356</b>	<b>250,450</b>
<b>EXPENDITURE ON:</b>									
Charitable activities:	4	282,222	177,374	34,123	12,360	-	4,125	316,345	193,859
<b>Total Expenditure</b>		<b>282,222</b>	<b>177,374</b>	<b>34,123</b>	<b>12,360</b>	<b>-</b>	<b>4,125</b>	<b>316,345</b>	<b>193,859</b>
<b>Net income/(expenditure)</b>		<b>31,958</b>	<b>68,952</b>	<b>(34,097)</b>	<b>(12,360)</b>	<b>150</b>	<b>-</b>	<b>(1,990)</b>	<b>56,592</b>
<b>Transfers between funds</b>	11	<b>(35,407)</b>	<b>(12,273)</b>	<b>35,407</b>	<b>12,302</b>	<b>-</b>	<b>(29)</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>		<b>(3,449)</b>	<b>56,678</b>	<b>1,310</b>	<b>(58)</b>	<b>150</b>	<b>(29)</b>	<b>(1,990)</b>	<b>56,592</b>
<b>Net movement in funds</b>		<b>(3,449)</b>	<b>56,678</b>	<b>1,310</b>	<b>(58)</b>	<b>150</b>	<b>(29)</b>	<b>(1,990)</b>	<b>56,592</b>
<b>Reconciliation of funds:</b>									
Total funds brought forward		111,438	54,760	24,450	24,508	-	29	135,888	79,296
<b>Total funds carried forward</b>	11	<b>107,989</b>	<b>111,438</b>	<b>25,759</b>	<b>24,450</b>	<b>150</b>	<b>-</b>	<b>133,898</b>	<b>135,888</b>