

REGISTERED COMPANY NUMBER: 07163237 (England and Wales)  
REGISTERED CHARITY NUMBER: 1134634

**Report of the Trustees and**  
**Unaudited Financial Statements for the Year Ended 28th February 2017**  
**for**  
**Grace Christian Trust**



**Grace Christian Trust**

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**for the Year Ended 28th February 2017**

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## **Grace Christian Trust**

### **Report of the Trustees** **for the Year Ended 28th February 2017**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 28th February 2017. The trustees have adopted the provisions of 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) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The objectives of the charity are to advance the Christian faith and also to relieve sickness, hardship and promote and preserve good health.

Currently the trustees are working with a local church in Caterham, Surrey to develop a new community and church centre.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The trust acquired the freehold property identified as a suitable site to develop a community and church centre in the financial year ended 28th February 2011.

The partner church appointed project managers and appointed architects to work on the project in January 2014.

In July 2014 the plans for redevelopment were finalised with the church congregation and in consultation with the broader community of Caterham.

Outline planning permission was granted in March 2015 and the old building on the site was demolished May 2015.

In performing their duties the trustees have had regard to the guidance issued by the Charity Commission on public benefit.

#### **FINANCIAL REVIEW**

##### **Financial position**

The trustees report that the trust held total funds of £2,010,474 at the financial year end. This represented a site in Caterham for redevelopment with a partner church with a net book value of £1,950,359 and other net assets of £60,115.

##### **Reserves policy**

The trustees regularly review their ongoing cash resources that they have available and aim to hold sufficient funds to be able to meet approximately six months ongoing expenditure of the charity.

All the reserves of the charity are unrestricted.

##### **Post Balance Sheet Events**

The freehold property was transferred to Oak Hall Church on 15th June 2017 to allow the development proceed to completion. The financial impact of this transaction will be to reduce the level of the charities reserves by £1,950,359 (the net book value of the freehold property).

#### **FUTURE PLANS**

The charity will continue to support the Caterham Church development project by providing loans to allow the building process to proceed.

The charities trustees are also considering new projects.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Recruitment and appointment of new trustees**

New trustees are recruited as and when the current trustees deem it necessary. Any new trustees are appointed by passing an ordinary resolution at a general meeting of the company.

## **Grace Christian Trust**

### **Report of the Trustees** **for the Year Ended 28th February 2017**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisational structure**

Currently the day to day management of the charity is undertaken solely by the trustees of the charity.

##### **Induction and training of new trustees**

As part of the induction process new trustees are provided with a copy of the "Statement of Beliefs" that the Grace Christian Trust operates under. In addition new trustees are provided with Charity Commission documentation so that they have a full understanding of their responsibilities as trustees.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

07163237 (England and Wales)

##### **Registered Charity number**

1134634

##### **Registered office**

Otford Manor  
Shorehill  
Knatts Valley  
Sevenoaks  
Kent  
TN15 6XF

##### **Trustees**

A Mayo  
I W Mayo  
Mrs J F Mayo

##### **Independent examiner**

Jeremy Byers FCA  
Daniels & Co (Accountants) Limited  
Chartered Accountants  
111a Station Road  
West Wickham  
Kent  
BR4 0PX

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 25th November 2017 and signed on its behalf by:



A Mayo - Trustee

**Independent Examiner's Report to the Trustees of  
Grace Christian Trust**

I report on the accounts for the year ended 28th February 2017 set out on pages four to ten.

**Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
  - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the 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) (effective 1 January 2015)

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



DIRECTOR

Jeremy Byers FCA  
Daniels & Co (Accountants) Limited  
Chartered Accountants  
111a Station Road  
West Wickham  
Kent  
BR4 0PX

25th November 2017

**Grace Christian Trust**

**Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 28th February 2017**

	Notes	2017 Unrestricted fund £	2016 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies		-	140,000
Investment income	2	-	34,500
<b>Total</b>		-	174,500
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Church Building Project		2,634	1,748
<b>NET INCOME/(EXPENDITURE)</b>		(2,634)	172,752
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		2,013,108	1,840,356
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u>2,010,474</u>	<u>2,013,108</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**Grace Christian Trust**

**Balance Sheet**  
**At 28th February 2017**

	Notes	2017 Unrestricted fund £	2016 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	6	1,950,359	1,947,299
<b>CURRENT ASSETS</b>			
Debtors	7	-	97
Cash at bank		61,835	66,521
		<hr/> 61,835	<hr/> 66,618
<b>CREDITORS</b>			
Amounts falling due within one year	8	(1,720)	(809)
<b>NET CURRENT ASSETS</b>		<hr/> 60,115	<hr/> 65,809
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/> 2,010,474	<hr/> 2,013,108
<b>NET ASSETS</b>		<hr/> <hr/> 2,010,474	<hr/> <hr/> 2,013,108
<b>FUNDS</b>	9		
Unrestricted funds:			
General fund		2,010,474	2,013,108
<b>TOTAL FUNDS</b>		<hr/> <hr/> 2,010,474	<hr/> <hr/> 2,013,108

The notes form part of these financial statements

**Grace Christian Trust**

**Balance Sheet - continued**  
**At 28th February 2017**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28th February 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 28th February 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 25th November 2017 and were signed on its behalf by:

A stylized handwritten signature in black ink, appearing to read 'A Mayo'.

A Mayo -Trustee



**Notes to the Financial Statements**  
**for the Year Ended 28th February 2017**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Changes in accounting policies - transition to frs102**

This is the first year in which the requirements of FRS102 and the related charity SORP have been adopted. There are no transitional adjustments arising from the application of FRS102 for the first time.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- 2% on cost
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Tangible fixed assets are recorded at their cost of acquisition and subsequently measured at cost less any accumulated depreciation.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Basic financial instruments**

Financial assets and financial liabilities of the charity are classified as "financial instruments" by FRS102.

Basic financial instruments typically represent, cash, bank deposits, debtors (trade debtors and loans receivable) and creditors (trade creditors and loans payable). These accounted for at the amount receivable or amount payable.

**Grace Christian Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 28th February 2017**

**2. INVESTMENT INCOME**

	2017	2016
	£	£
Rents received	-	34,500

**3. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	£
Independent Examination	810	810

**4. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 28th February 2017 nor for the year ended 29th February 2016.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 28th February 2017 nor for the year ended 29th February 2016.

**5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	140,000
Investment income	34,500
<b>Total</b>	<b>174,500</b>
 <b>EXPENDITURE ON</b>	
Charitable activities	
Church Building Project	1,748
<b>Total</b>	<b>1,748</b>
 <b>NET INCOME/(EXPENDITURE)</b>	<b>172,752</b>
 <b>RECONCILIATION OF FUNDS</b>	
Total funds brought forward	1,840,356
 <b>TOTAL FUNDS CARRIED FORWARD</b>	<b>2,013,108</b>

**Grace Christian Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 28th February 2017**

**6. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>COST</b>	
At 1st March 2016	2,149,901
Additions	3,060
	<hr/>
At 28th February 2017	2,152,961
	<hr/>
<b>DEPRECIATION</b>	
At 1st March 2016 and 28th February 2017	202,602
	<hr/>
<b>NET BOOK VALUE</b>	
At 28th February 2017	1,950,359
	<hr/>
At 29th February 2016	1,947,299
	<hr/>

Included in cost of land and buildings is freehold land of £1,950,359 (2016 - £1,947,299) which is not depreciated.

During the year the final costs of demolition have been treated as addition to the cost of Freehold Property.

The site now consists solely of land and depreciation is no longer considered necessary as the residual value of the land is considered to be equal to its net book value.

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Prepayments and accrued income	-	97
	<hr/>	<hr/>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Accruals and deferred income	1,720	809
	<hr/>	<hr/>

**9. MOVEMENT IN FUNDS**

	At 1/3/16 £	Net movement in funds £	At 28/2/17 £
<b>Unrestricted funds</b>			
General fund	2,013,108	(2,634)	2,010,474
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	2,013,108	(2,634)	2,010,474
	<hr/>	<hr/>	<hr/>

**Grace Christian Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 28th February 2017**

**9. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	-	(2,634)	(2,634)
<b>TOTAL FUNDS</b>	<u>-</u>	<u>(2,634)</u>	<u>(2,634)</u>

**10. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 28th February 2017.