GRACE CHARITIES TRUST
Administered by
Grace Baptist Charities Limited

FINANCIAL STATEMENTS

FOR THE
YEAR ENDED 31 DECEMBER 2025

Charity number: 1171468

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REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees have pleasure in submitting their report and the audited financial statements for the Grace Charities Trust for the year ended 31st December 2025. They have been prepared in the format prescribed by the Statement of Recommended Practice 2019 (FRS 102), 'Accounting and Reporting by Charities' issued by the Charity Commissioners.

Objectives and Activities

The objects of the charity are to receive and administer donations and to reclaim income tax from HMRC in accordance with the HMRC Gift Aid scheme and to distribute these donations and reclaimed income tax among such charities and for such charitable purposes wholly or mainly concerned with the advancement of religion.

The trustees' policy is to receive donations either directly from individuals or through local churches or charities and remit both gifts and tax recovered to the donors' nominated charities subject to these being within the scope of the charity's objectives and at the discretion of the trustees. Consequently all funds of the charity are restricted.

Grant making policy
The charity makes grants to the Christian charities nominated by the donors.

Public benefit

The directors of the trustee confirm that they have had due regard to the guidance issued by the Charity Commission on public benefit. In particular, donations and income tax distributed are for charitable purposes wholly or mainly concerned with the advancement of religion. Some of the Christian organisations receiving funds through the charity are also involved in the relief of poverty, the advancement of health and the saving of lives.

Achievements and Performance

During 2025, 27 charities used the Gift Aid scheme administered by the Trust and £177,458 (£122,934 in 2024) was recovered in tax for distribution with the original donations. Gift Aid claims are generally made quarterly or upon receipt of the appropriate information from charities. In addition, In 2024, a grant was received from Particular Baptist Fund towards the theological training of a member in the churches in membership with the Grace Baptist Association.

A total of £1,445,644 (£946,517 in 2024) was paid to beneficiaries out of donations received and tax recovered.

Financial Review

The Trust continued to process Gift Aid claims and distribute donations promptly. The balances held at the year-end include £23,280 of gifts received shortly before year end and not yet paid out and £3,127 of gifts received where the donors have not yet expressed their wishes. In addition, the Trust accepted a gift of shares totalling £230,997 (2024: £251,995) for a member church, and instructions were given to sell the shares. The proceeds had not been received at year end, but the beneficiary had been informed so the donation was treated as a creditor with related debtor at year end.

REPORT OF THE TRUSTEE FOR THE
YEAR ENDED 31 DECEMBER 2025
(continued)

Structure, Governance and Management

The Trust was established by a Declaration of Trust dated 6th June 1978 and is a registered charity (number 1171468). The trustee is Grace Baptist Charities Limited. The Trust Deed was revised and updated in 2019 to ensure it accurately reflects the current Gift Aid processes.

The Trustee has delegated the responsibility for the administration of donations, including recovery of tax, to the Finance Officer of the Grace Baptist Association.

Risk Management

The Trustee has assessed the principal risks to which the charity is exposed, in particular those related to the operations and finance of the charity and are satisfied that procedures are in place to mitigate our exposure to the major risks. A risk register is maintained and reviewed.

Reference and Administrative Details

The charity was administered by the trustee, Grace Baptist Charities Limited, throughout the year.

The company's registered office is 62 Bride Street, London, N7 8AZ. The company registration number is 96055 and charity number 1172489.

The directors of the company at the date of this report were:

A Creedy (Chairman); P Fuggle; A Gardner (Finance Officer); B Jones; A King; D J Mortimer; Miss M O' Mara; P Smith; C Clarkson; M Tatham (appointed Dec 2025)

The Company Secretary, who is employed by the Grace Baptist Association, has delegated authority to authorise routine and planned maintenance for trust, Association and church properties within an annual budget. The budget is approved by the Board in November for the following year.

The principal advisers of the charity are as follows:

Auditors:	Xeinadin Audit Limited, 5 Robin Hood Lane, Sutton, Surrey SM1 2SW
Principal Bankers	CAF Bank Limited, 25 Kingshill Avenue, Kingshill, West Malling, Kent ME19 4JQ

REPORT OF THE TRUSTEE FOR THE
YEAR ENDED 31 DECEMBER 2025
(continued)

Trustees Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities in the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees are required to:

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

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

FOR AND ON BEHALF OF THE TRUSTEE

62 Bride Street
London
N7 8AZ

D Mortimer
Director of
Grace Baptist Charities Limited
6th July 2026

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
GRACE CHARITIES TRUST

Opinion
We have audited the financial statements of the Grace Charities Trust (the "Charity") for the year ended 31 December 2025 which comprise the Statement of Financial Activities, Balance Sheet, cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

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

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

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

Other information

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

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

We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
(continued)

Matters on which we are required to report by exception

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

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

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

Responsibilities of the trustees

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

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

Other Matter

The comparative figures were not audited.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

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

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

We determined that the principal risks were related to management overide of controls.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
(continued)

In response to the risks identified we designed procedures which included, but were not limited to evaluating the Charity's internal controls.

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

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

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

Xeinadin Audit Limited,
Statutory Auditor
Chartered Accountants

5 Robin Hood Lane,
Sutton,
SM1 2SW

Xeinadin Audit limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 DECEMBER 2025

	2025 Restricted Funds	*2024* Restricted Funds
Income from:	**£**	**£**
Donations		
Donations	1,287,672	828,443
Grants	-	1,576
Income tax recovered	177,458	122,934
	1,465,130	952,953
Investments	2,421	236
Total Income	1,467,551	953,189
Expenditure on:		
Charitable activities		
Paid to beneficiaries	1,445,644	946,517
Administration charges	8,769	6,459
Bank charges	60	60
Audit/Independent examination	3,398	924
Total expenditure	**1,457,871**	**953,960**
Net income / (expenditure) and Net movement in Funds	**9,680**	**(771)**
Reconciliation of funds:		
Funds brought forward	16,726	17,497
Funds carried forward	**26,406**	**16,726**

All recognised gains and losses are reflected through the Statement of Financial Activities and all activities were continuing.

BALANCE SHEET
FOR THE YEAR ENDED 31ST DECEMBER 2025

		2025	**2024**
		£	**£**
Current assets:			
Debtors	6	233,497	251,995
Cash deposited with Grace Baptist Charities Ltd		27,266	17,650
Liabilities			
Creditors: Amounts falling due within one year	6	(234,357)	(252,919)
Total net assets		26,406	16,726
The funds of the charity:			
Restricted funds		26,406	16,726

Approved by the Trustee on 6th July 2026 and signed on their behalf by:

D Mortimer
Director of
Grace Baptist Charities Limited

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2025

Statement of cash flows:	**Table**	***2025 Total Funds*** **£**	***2024 Total Funds*** **£**
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	7,196	(958)
Cash flows from investing activities:			
Interest		2,420	235
Net cash provided by (used in) investing activities		2,420	235
Change in cash and cash equivalents in the reporting period		**9,616**	**(723)**
Cash and cash equivalents at the beginning of the reporting period		17,650	18,373
Cash and cash equivalents at the end of the reporting period	B	**27,266**	**17,650**

Table A - Reconciliation of net income / (expenditure) to net cash flow from operating activities:	***2025*** **£**	***2024*** **£**
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	9,680	(771)
(Gains) / losses on investments	-	-
Dividends, interest and rent from investments	(2,420)	(235)
Change in debtors	18,498	(251,995)
Change in creditors	(18,562)	252,043
Net cash provided by (used in) operating activities	7,196	(958)

Table B - Analysis of cash and cash equivalents:

Cash in hand	27,266	17,650
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	**27,266**	**17,650**

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2025

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of

(a) **Accounting convention**
The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice 2019 (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting. The financial statements are prepared in pounds sterling rounded to the nearest pound.

Grace Charities Trust meets the definition of a public benefit entity under FRS 102. It is an unincorporated registered charitable trust (charity number: 1171468) with registered address of 62 Bride Street, London, N7 8AZ.

(b) **Going concern**
There are no material uncertainties about the charity's ability to continue.

(c) **Income**
Voluntary income is accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.

(d) **Expenditure**
All expenditure is included on an accruals basis.

Charitable expenditure comprises all expenditure directly related to the objects of the charity. This includes governance costs which represent the cost of compliance with constitutional and statutory requirements and costs not able to be included as charitable expenditure.

(e) **Cash deposited with Grace Baptist Charities Ltd**

Cash deposited with Grace Baptist Charities Ltd is a short term highly liquid investment with a short maturity of three months or less from the date of opening of the deposit.

(f) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2025
(continued)

2 RELATED PARTY TRANSACTIONS

Grace Baptist Charities Limited is the corporate trustee for the charity.

In the course of its performance as trustee, the company holds operating cash funds of the charity. During 2025, the interest rate paid to the charity on the cash balances held was 3.75% from January to September 2025 and 3.50% from October to December 2025, credited quarterly. The balance of cash funds held at 31st December was £27,266.

The trustee provided administration services to the charity, and made a charge of £8,769 (£6,459 in 2024) for the resources used.

3 TRUSTEES' REMUNERATION AND EXPENSES

No remuneration or reimbursement of expenses directly or indirectly out of the funds of the charity was paid or payable for the year to any Trustee or to any person or persons known to be connected with any of them, except as set out in Note 2.

4 AUDIT FEES/INDEPENDENT EXAMINATION

The fees paid for the audit of the accounts was £3,360 (2024 Independent Examination fee: £924). An additional fee of £32 was paid as an insurance premium to cover professional costs incurred while dealing with reviews by HMRC of gift aid claims last year.

5 STAFF COSTS AND EMPLOYEE BENEFITS

The charity did not employ any staff during the year.

6 GIFT OF SHARES

In addition, the Trust accepted a gift of shares totalling £230,997 (2024:£251,995) for a member church, and instructions were given to sell the shares. The proceeds had not been received at year end, but the beneficiary had been informed so the donation was treated as a creditor with related debtor at year end