

GRACE BAPTIST TRUST CORPORATION

ANNUAL ACCOUNTS 2012

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ANNUAL REPORT AND ACCOUNTS

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GRACE BAPTIST TRUST CORPORATION

**A COMPANY LIMITED BY GUARANTEE
REGISTRATION NUMBER 592488**

**A REGISTERED CHARITY
REGISTRATION NUMBER 251675**

ANNUAL REPORT

CHAIRMAN'S INTRODUCTION

It is my privilege to introduce this year's annual report of the Grace Baptist Trust Corporation. We acknowledge God's faithfulness and thank him for his goodness through another year as we have endeavoured to support and encourage the work of the churches.

In particular I would like to thank the office staff for all that they have done, as well as all of my colleagues on the Council who give their time, not only in attending committee meetings, but also in giving their professional advice so willingly. We work together as a closely knit team and so it is with heartfelt sorrow that I have to record the very sudden homecall of our brother David Bucknall on 27th November which came as a very great shock to us all. He had served on the Council since 1998 and had held the offices of both Chairman and Deputy-Chairman. We shall miss his wise and thoughtful counsel and we extend our sympathy to Diane and the family. We are aware of the need to strengthen the Council and are very pleased to announce that Rob Powell, an elder of Jubilee Baptist Church in Occold, Suffolk joined the Council during the year. We are sure that his background in insurance and his knowledge of the churches, particularly in Suffolk, will bring much needed strength to the Council.

We have listed below the churches that have made a financial contribution to our General Fund during the past year. The work of the Corporation is at a level not noticed by most church members and it is difficult for churches to identify with our ministry. The financial support of the churches listed is therefore particularly appreciated. Churches are coming under increasing demands by the authorities and we believe that the Corporation meets a very real need through its varied ministries, both practical and financial. Please pray that we will be given wisdom and guidance as we seek to maintain the various ministries of the Corporation during the coming year.

Kevin Wiltshire

CHURCH DONATIONS

The following churches have contributed to the General Fund during 2012:

Accrington	Bedworth	Brentford	Bromley	Cambridge
Caterham	Chatham	Devizes	Dorking	Dunmow
Dunstable	Epsom	Folkestone	Fressingfield	Friston
Great Ellingham	Halifax	Harrold and Carlton	Haworth	Hemel Hempstead
Lewisham	Occold	Somersham	Stoke Golding	Tadworth
Trowbridge	Upper Hale			

GRACE BAPTIST TRUST CORPORATION
REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012

The members of the Board of Directors submit their annual report and accounts for the year ended 31 December 2012 to be presented to the members at the Annual General Meeting to be held on 27 April 2013.

The accounts set out on pages 10 to 26 have been prepared in accordance with the requirements of the Corporation's Articles of Association and comply with the Companies Act 2006, the Statement of Recommended Practice "Accounting and Reporting by Charities" (revised 2005) 2nd Edition, and the Financial Reporting Standard for Smaller Entities (effective April 2008). The accounts are subject to audit. The accounts of the Grace Baptist Trust Corporation Common Investment Fund are set out on pages 27 to 36 and are subject to audit. The accounts on pages 10 to 26 do not include the trust funds of which the Corporation is a Trustee.

CONSTITUTION

The Grace Baptist Trust Corporation is registered in England as a Company limited by guarantee and not having a share capital (Registration Number 592488). The Corporation is also registered as a Charity (Registration Number 251675), and is recognised as a Trust Corporation under section 3(i) of the Law of Property (Amendment) Act 1926. The Corporation is governed by its Articles of Association.

BOARD OF DIRECTORS

The requirements of the Corporation's Articles of Association are that the Board of Directors must consist of three Officers - Chairman, Deputy Chairman, and Treasurer, and up to 20 other Directors. The Officers are appointed by the Board of Directors at the first Board Meeting following the Annual General Meeting.

The Directors are elected at each Annual General Meeting from among the Ordinary Members and the Delegate Members of the Corporation. Members of churches that adhere to the Corporation's doctrinal basis may apply to become Ordinary Members on payment of the annual subscription. Every church that adheres to the Corporation's doctrinal basis and makes an annual donation is entitled to nominate a Delegate Member and is entitled to nominate a male member to be included in the list of persons to be submitted to the meeting for election as a Director. As a member of the Corporation, each Director is liable to contribute £5 to the assets of the Corporation in the event of its being wound up.

Two changes occurred in the Board of Directors during the year. Mr R E Powell was appointed a Director on 2 July 2012 and Mr D J Bucknall died on 27 November 2012. As at 31 December 2012 and 4 March 2013 (the date on which the Annual Report and Accounts were approved) the Board of Directors comprised the following:

Mr J N Broome BSc (Hons) MRICS IRRV
Mr P Canty CEng MCIBSE CMIOSH
Mr A R Copeman FRICS
Mr A B Keen LLB
Mr S A Partington BA (Hons) Dipl Arch RIBA
Mr R E Powell ACII
Pastor P D Relf FCA
Mr J A H Risbridger MA (Oxon)
Mr D Schwier
Mr D W J Skull FRICS MFB (Treasurer)
Pastor D J Steere (Deputy Chairman)
Mr K C W Wiltshire MIFP MIoD FInstIC FCIFA FPCS ASWW (Chairman)

GRACE BAPTIST TRUST CORPORATION
REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

ORGANISATION

As a Company, limited by guarantee, the Corporation is managed by the Board of Directors. As the Corporation is also a Registered Charity, the Directors manage its affairs as Charity Trustees. The Directors are also referred to as the Council of Management.

The Council of Management meets four times a year and has overall responsibility for the governance of the Corporation. It is particularly responsible for dealing with matters involving policy. Routine matters that require Board approval may be dealt with by the Executive Committee which normally consists of the Chairman, Deputy Chairman, Treasurer and four other Directors. The Executive Committee may also deal with matters remitted to it by the Council of Management. In addition, the Executive Committee may consider matters of policy, but only in the context of making recommendations to the Council of Management. The Executive Committee meets up to six times a year. Following the creation of the Pastors' Fund, a Consultative Committee was established to advise the Council of Management about the Fund's policies and the level of grants to beneficiaries. The Pastors' Fund Consultative Committee has no executive powers.

The Officers (Chairman, Deputy Chairman, and Treasurer) consider matters that are particularly confidential prior to their being reported to the Council of Management and they are able to advise the Chief Executive in situations where there is some uncertainty as to the correct application of matters of policy. In addition, certain matters are remitted to the Officers for consideration where it is thought that they should be discussed by a committee that is smaller than the Executive Committee. The Chief Executive attends all Officers' meetings. The Officers meet as necessary.

The Chief Executive, (Mr Eric Cousins FCCA), is responsible for implementing the policies and resolutions of the Directors and for attending to all routine matters that do not involve the Council of Management (as a body of Trustees or Board of Directors).

TRUSTEES' INDUCTION AND TRAINING

As indicated above, the Trustees are elected at each Annual General Meeting from among the Ordinary Members and the Delegate Members of the Corporation. Members of churches that adhere to the Corporation's doctrinal basis may apply to become Ordinary Members on payment of the annual subscription. Every church that adheres to the Corporation's doctrinal basis and makes an annual donation to the Corporation is entitled to nominate a Delegate Member and is entitled to nominate a male member to be included in the list of persons to be submitted to the meeting for election as a Trustee. As it is important that only persons having the desired professional expertise or comprehensive knowledge of the churches are nominated, the Board of Trustees works in partnership with the individual churches regarding nominations.

Once new Trustees are appointed, they are taken through a process of induction by the Chief Executive who ensures that they understand the legal duties and responsibilities imposed on them as Trustees, using the Charity Commission Booklet "CC3 – The Essential Trustee" as a guide.

In addition, they are provided with copies of the Corporation's Articles of Association – the key provisions of which are explained to them, together with copies of the Corporation's most recent Statutory Accounts and Annual Report. They are also provided with a set of the minutes of the most recent Trustees' Meeting (which include a reference to all outstanding issues) and the Chief Executive ensures that they are fully briefed on all ongoing matters.

The Trustees require the Chief Executive to keep them abreast of all developments that have a bearing on their role as Trustees by providing them with relevant information such as articles from charity magazines and briefing notes supplied by relevant bodies – such as the Charity Commission. The Corporation subscribes to "Governance" magazine, and copies are made available to the Officers.

Furthermore, as they exercise their responsibilities on the Board, the Trustees draw upon their extensive professional knowledge and experience - which is enhanced by their attendance at relevant training courses that form part of their continuing professional development.

GRACE BAPTIST TRUST CORPORATION
REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Corporation and of the surplus or deficit of the Corporation for that period. In preparing those accounts the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
- Prepare the accounts on a going-concern basis unless it is inappropriate to presume that the Corporation will continue in operation.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Corporation and which enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each Director is aware, there is no relevant audit information (needed by the Corporation's auditors in connection with preparing their report) of which the auditor is unaware. Each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information, and to establish that the Corporation's auditors are aware of that information.

OBJECTIVE

The chief objective underlying all the activities of the Corporation is the advancement of the Christian religion, particularly by means of and in accordance with the principles of Particular Baptist Churches practising Strict Communion.

AIMS

The Corporation aims to accomplish this objective by acting as a Trustee of church property, by offering a wide range of professional services to churches and their members, and by administering various Trust Funds established under Charity Commission schemes, trust deeds, wills and other instruments. Whilst other similar charitable organisations exist within the Grace Baptist family of churches, the Board of Directors consider that the Corporation is in a unique position to offer the level of professional support that we are able to, owing to the high level of professional expertise represented on the Board.

STRATEGY

The nature of the Corporation's ministry is such that its objectives and the strategies it employs to achieve those objectives do not change significantly from year to year. The Corporation's aspiration is to provide the churches and their members with the services, advice and general assistance that they require and to fulfil all of the Corporation's responsibilities as Trustees of various chapels and Trust Funds as comprehensively and efficiently as possible.

The strategy adopted to achieve this has been the dissemination of information through a website and through the production of fact sheets, newsletters and other means as appropriate, to respond to the various needs of the churches as they have arisen and to provide routine services as a matter of course. The Directors have endeavoured to inform all potential beneficiaries of the services available to them through the Website, Annual Report and other literature, articles, and advertising, as appropriate.

GRACE BAPTIST TRUST CORPORATION
REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

ACTIVITIES

During the year the Corporation has been able to support the work of churches in various ways. A number of grants and loans have been made from the many funds that are administered by the Corporation and this has enabled churches to maintain or improve their properties. In addition, grants have been made to provide assistance to individual members with particular needs. Our office staff were able to answer a wide range of specific queries raised by church officers. As such queries may have related to a church's specific situation the Directors consider that it is inappropriate to provide further details.

As a Trustee of charitable land and property, the Corporation has been able to give extensive advice to churches regarding the land and buildings for which they are responsible as well as legal advice relating to compliance with their chapel trust deeds. During the year the Directors have been advising one church on legal and technical issues relating to their boundary wall which is a Grade 2 listed structure and which is in a serious state of disrepair. Another church finds itself in a position of being "asset rich" (in property terms) but "income poor" and the Directors have been working alongside the church members in assessing how it might be possible to redevelop their site to produce an enhanced income whilst enabling them to maintain their various ministries amongst their local community.

In addition, the Corporation has continued to expand its range of Fact Sheets that are designed to assist churches with the administrative, financial, legal and practical aspects of running a church.

ACHIEVEMENTS

The nature of the ministry of the Grace Baptist Trust Corporation makes it difficult to quantify specific achievements that have been accomplished during the year although the Directors consider that attention should be drawn to the under-mentioned projects.

In March 2010 it was agreed to accept Trusteeship of one chapel – a Grade 2* listed building of unusual design and considerable historical interest – that was in a serious state of disrepair. The congregation was very small and services have subsequently ceased leaving the Trustees with the serious problem of what to do with the building. It was not possible to sell the chapel owing to the difficulty of finding an alternative use that was acceptable to the planning authorities and the considerable expense that would be involved in restoring it to the standard required by English Heritage. However, the Directors have been pleased to be able to work alongside local residents and other interested parties who have established a new charitable trust to take over trusteeship of the chapel with a view to its restoration and continued use in the community. At the same time, the Grace Baptist Partnership have been working in fellowship with another local church in the area to see whether it is possible to re-establish a Christian witness in the village.

In 2006 the Directors agreed that the Corporation would accept trusteeship of chapels and manse being transferred from the Association of Grace Baptist Churches (East Anglia) and during the year a number of trusteeships were successfully transferred. This involved not only the transfer of trusteeship itself but also the registration of the chapel, manse, and burial ground sites at the Land Registry. In turn, this has involved the Corporation in having to resolve various problems connected with legal title – particularly where part of the chapel land has been registered in the name of a third party without the knowledge of the church officers or the Association.

ASSOCIATED CHARITIES

The Corporation works closely with a number of charitable organisations with similar objectives. In particular, the Corporation enjoys cordial relations with the various Associations of Grace Baptist Churches. In addition, the Corporation assists the Trustees of Grace Magazine in the production of the "Directory of Churches". The Chief Executive is a Trustee and the Treasurer of the Particular Baptist Fund and whilst there is no formal link between the Corporation and the Particular Baptist Fund, the involvement of the Chief Executive in the Fund enables him to represent the interests of the Grace Baptist family of churches.

GRACE BAPTIST TRUST CORPORATION
REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

GRANT MAKING POLICY

Grants are made to churches and individuals under the terms of the various funds administered by the Corporation. In the case of the Pastors' Fund, the Benevolent Fund and the Ministers' Aid Fund, grants are made directly to individuals to relieve financial hardship. In the case of the B A Warburton Memorial Fund, grants are made directly to individuals who are preparing for the Ministry to assist them with the costs of their training. In the case of institutional grants, the grants are made to churches to assist with the costs of building work and maintenance projects. The Directors invite applications from those who qualify under the terms of the trusts.

BUSINESS REVIEW

An exceptional donation was received during the year. The members of Zion Baptist Church, Stoke Golding made a gift of £18,000 to the Corporation. Initially, this is to be used to support the ministry of their church but in the event of the church closing, the funds are to be used at the discretion of the Directors. Consequently, the donation has been treated as a Restricted Fund.

The Statement of Financial Activities reveals an operating deficit for the year of £50,861 although this was reduced by an increase in the value of the Corporation's investments amounting to £18,487. The overall deficit of £32,374 was met from a reduction in reserves.

Principal funding sources have been donations from supporting churches and personal members, and interest and dividends arising from the Corporation's investments. A significant proportion of the Corporation's income and expenditure relates to the Gift Aid Scheme under which donors choose to support the ministry of particular churches or other charitable activities that are in furtherance of the aims and objectives of the Corporation.

The Corporation does not commit itself to supporting projects beyond the limits of funds that are available, and therefore the Directors confirm that the assets in each of the funds are sufficient to enable the Corporation to meet its obligations under those funds as they fall due. The financial position as at 31 December 2012 was considered satisfactory for the purposes of the continuing work of the Corporation.

FUTURE DEVELOPMENTS

Following a period of considerable advance in the ministry of the Corporation, with a number of initiatives underway but not yet completed, the Directors decided that a period of consolidation was necessary before further initiatives were considered. They adopted a Strategic Plan entitled "Consolidating our Position" to ensure that existing initiatives are completed satisfactorily and that future opportunities are seized when the time is right and this will continue to influence decision-making in the forthcoming year.

INVESTMENTS

The Corporation's Articles of Association authorise the Directors to invest funds not immediately required for its purposes in such investments as may for the time being be prescribed by law. All such funds are invested in the Grace Baptist Trust Corporation Common Investment Fund, which is managed by Fund Managers, Quilter & Co Ltd, to achieve a robust income yield coupled with long-term capital growth as an inflationary hedge. Investment performance is governed by the Trustees' acceptance of a cautious to moderate level of risk and their adoption of an ethical stance that prevents investment in sectors covering alcohol, gambling, pornography, and tobacco. The Trustees and Fund Managers have agreed a target asset allocation of fixed interest stocks, gilts and corporate bonds (55%), equities and structured investments (35%), and property (10%) that is designed to achieve these objectives. In the absence of a suitable standard benchmark that equates to the requirements of the Corporation, the Trustees and Fund Managers have formulated a specialist benchmark against which the performance of the fund is to be monitored. The income yield achieved was 3.4% against a target of 3.5%, and the total return achieved was 4.9% against the benchmark of 6.3%.

GRACE BAPTIST TRUST CORPORATION
REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

TRUST FUNDS

The Corporation acts as a Trustee for a range of small charities and charitable funds under the terms of Charity Commission schemes, trust deeds, wills or other instruments. The objects of these trusts fall within the chief objective of the Corporation and further details are given on pages 37 to 39. The Receipts and Payments Account on page 37 is a consolidated summary of the accounts of the charitable trusts that are listed on pages 38 and 39. Separate accounts are maintained for each of the trusts and returns are made to the Charity Commission where appropriate. The Corporation administers the funds of the trusts by investing the capital in the Grace Baptist Trust Corporation Common Investment Fund, and in other authorised investments. The funds of the trusts are kept apart from those of the Corporation by means of separate accounting records, bank accounts, and investments. Investment in the Common Investment Fund is on a unitised basis.

RESERVES POLICY

As stated in note 29.1 it is the desire of the directors that the costs of running the Corporation will be met out of membership subscriptions, voluntary donations, professional services and investment income arising from General Fund reserves. The income arising from these sources is volatile and currently falls significantly short of the sum required. Efforts are being made to increase the level of income but at present the directors consider that a level of reserves must be maintained that is sufficient to cover such deficits in order to sustain the work, not only in the immediate future but also for several years ahead. They review the situation on an annual basis and at the last review, conducted in December 2012, considered that reserves, which amounted to approximately £252,000 at the year-end, must be maintained at their current level. The directors consider that, in the event of a sudden and substantial fall in the Corporation's income, the sum of approximately £200,000 is required to cover two years' expenditure to enable all projects in hand to be completed, to enable the considerable number of trusteeships of properties and Trust Funds currently held by the Corporation to be transferred to another Trust Corporation, and to enable alternative arrangements to be put in place for the continuance of the wide range of support ministries currently being undertaken by the Corporation. The balance is required not only to sustain but also to develop the ministries of the Corporation in the longer term (see "Future Developments").

Designated Funds, otherwise known as the "Support Fund", comprise unrestricted funds received by the Corporation following the disposal of redundant chapels or the closure of certain trust funds. These funds have been set aside by the directors in order to provide loans to churches that are undertaking significant maintenance projects. As at the year-end, Designated Funds available for financing church building projects stood at £1 million. This is not considered to be excessive in view of the possibilities that could arise for utilising these funds in the future.

RISK ASSESSMENT

The Directors review the risks to which the Corporation is exposed on an annual basis and they confirm that systems are in place to manage the risks that have been identified.

The principal risks facing the Corporation are:

- The lack of voluntary donations to finance the Corporation's operating costs. Owing to the professional nature of the services provided to the churches most church members find it difficult to identify the benefits that are provided and are therefore not inclined to support the work. A reasonable level of reserves is maintained to mitigate this risk.
- A lack of comprehensive internal control systems owing to there being only two members of staff in the office. All the financial controls that would be expected are in place, and a member of the Board of Directors, who is a Chartered Accountant, visits the office to inspect the financial records on a regular basis.
- The loss of the Chief Executive. The risk has been mitigated by the appointment of a Personal Assistant to work closely with him, and by the provision of medical insurance to facilitate the provision of prompt treatment in the event of a debilitating illness.

GRACE BAPTIST TRUST CORPORATION
REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

SIGNIFICANT CHANGES IN FIXED ASSETS

There were no significant changes in fixed assets during the year.

PUBLIC BENEFIT

The Directors have considered the guidance published by the Charity Commission on the provision of public benefit. They confirm that the chief objective of the Corporation is the advancement of the Christian religion (which is a charitable purpose under law) and that the Corporation provides public benefit by offering professional and trustee services – including the provision of advice and information – free of charge to Particular Baptist Churches practising strict communion. Grants and loans are also made available to such churches. Additionally, grants are paid from various Endowment Funds to the members of those churches where they qualify under the terms of the trusts of the funds.

PROFESSIONAL ADVISORS:

AUDITORS

Acumen Chartered Accountants
Craven House
Lansbury Estate
102 Lower Guildford Road
Knaphill
Woking
Surrey
GU21 2EP

BANKERS

National Westminster Bank plc
1 Croydon Road
Caterham
Surrey
CR3 6XA

COIF Charities Deposit Fund

85 Queen Victoria Street
London
EC4V 4ET

INVESTMENT MANAGERS

Quilter & Co Limited
33-35 Queen Square
Bristol
BS1 4LU

REGISTERED OFFICE AND PRINCIPAL OFFICE

19 Croydon Road
Caterham
Surrey
CR3 6PA

INSURANCE BROKERS

Bluefin
33-35 Woodthorpe Road
Ashford
Middlesex
TW15 2RP

Access Insurance Service

212-220 Addington Road
South Croydon
Surrey
CR2 8LD

SOLICITORS

Wellers
7-8 Grays Inn Square
London
WC1R 5JQ

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies, and was approved by the Board of Directors on 4 March 2013.

By order of the Board

K C W Wiltshire
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRACE BAPTIST TRUST CORPORATION

We have audited the financial statements of Grace Baptist Trust Corporation for the year ended 31st December 2012, on pages 10 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on auditing (UK and Ireland). Those standards require us to comply with Auditing Practices Board's (APB) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statement

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2012 and 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' annual Report (Report of the Directors) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 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 exemption in preparing the Trustees' Annual Report.

Stuart Rawlings (Senior Statutory Auditor)
For and on behalf of Acumen, Statutory Auditor

Craven House, Lansbury Estate
102 Lower Guildford Road
Knaphill, Woking
Surrey GU21 2EP

GRACE BAPTIST TRUST CORPORATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
Incoming Resources							
Generated Funds		20,407	23,916	30,902	104	75,329	105,415
Charitable Activities		3,583	15	393,604		397,202	394,300
Other Incoming Resources						-	-
Total Incoming Resources	2	<u>23,990</u>	<u>23,931</u>	<u>424,506</u>	<u>104</u>	<u>472,531</u>	<u>499,715</u>
Resources Expended							
Costs of Generating Funds		5,802				5,802	6,927
Charitable Activities		81,514		416,257		497,771	484,994
Governance Costs		19,819				19,819	19,281
Total Resources Expended	3	<u>107,135</u>	<u>-</u>	<u>416,257</u>	<u>-</u>	<u>523,392</u>	<u>511,202</u>
Net Incoming/(Outgoing) Resources before Transfers		(83,145)	23,931	8,249	104	(50,861)	(11,487)
Transfers between Funds	22	<u>87,068</u>	<u>(80,000)</u>	<u>(7,068)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Incoming/(Outgoing) Resources		3,923	(56,069)	1,181	104	(50,861)	(11,487)
Investment Gains/(Losses)		<u>3,856</u>	<u>11,684</u>	<u>-</u>	<u>2,947</u>	<u>18,487</u>	<u>(3,157)</u>
Net Movement in Funds		7,779	(44,385)	1,181	3,051	(32,374)	(14,644)
Fund Balances brought forward as at 1 January 2012		245,996	1,082,680	186,392	198,110	1,713,178	1,727,822
Fund Balances carried forward as at 31 December 2012	22	<u>253,775</u>	<u>1,038,295</u>	<u>187,573</u>	<u>201,161</u>	<u>1,680,804</u>	<u>1,713,178</u>

GRACE BAPTIST TRUST CORPORATION
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Total Income		472,427	499,532
Total Expenditure		<u>523,392</u>	<u>511,202</u>
		(50,965)	(11,670)
Surplus on Disposal of Investments		—	—
Surplus on Ordinary Activities	23	(50,965)	(11,670)
Net Income for the Year		<u>(50,965)</u>	<u>(11,670)</u>

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 10 which, together with the notes to the accounts on pages 13 to 26, provide full information on the movements during the year on all the funds of the Corporation.

GRACE BAPTIST TRUST CORPORATION
BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012		2011	
		£	£	£	£
Fixed Assets					
Tangible Assets	24		1,094		1,415
Investments	25		1,104,009		1,085,417
Current Assets					
Debtors (falling due after one year)	26	86,610		79,830	
Debtors (falling due within one year)	26	<u>19,657</u>		<u>27,069</u>	
		106,267		106,899	
Cash at Bank and in Hand		<u>477,148</u>		<u>530,227</u>	
		583,415		637,126	
Current Liabilities					
Creditors (falling due within one year)	27	<u>(7,714)</u>		<u>(10,780)</u>	
Net Current Assets			575,701		626,346
Net Assets	28		<u>1,680,804</u>		<u>1,713,178</u>
Capital Funds			201,161		198,110
Endowment Funds					
Income Funds			187,573		186,392
Restricted Funds					
Unrestricted Funds:					
Designated Funds			1,038,295		1,082,680
General Funds			253,775		245,996
Accumulated Funds	29		<u>1,680,804</u>		<u>1,713,178</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective April 2008). The Company is limited by guarantee. The Registration Number of the Company is 592488.

The Accounts on pages 10 to 26 were approved by the Board of Directors on 4 March 2013.

D W J Skull

K C W Wiltshire

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

1.1 Accounting Conventions

These accounts have been prepared in accordance with the historic cost convention as modified by the revaluation of investments, and are in accordance with the Companies Act 2006, the Statement of Recommended Practice "Accounting and Reporting by Charities" (revised 2005) 2nd Edition, and the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Incoming Resources

Incoming Resources are accounted for (gross) on a receivable basis and included in the Statement of Financial Activities when the Corporation has acquired a right to the resource, when it is virtually certain that it will be received, and when its monetary value can be measured with sufficient reliability. Incoming Resources from Endowment Funds are treated as Restricted Income.

1.3 Resources Expended

Resources Expended are included in the Statement of Financial Activities on an accruals basis (inclusive of VAT, which cannot be recovered) once a legal or constructive obligation committing the Corporation to the expenditure exists. Unconditional Grants are accounted for as expenditure when the offer is conveyed to the recipient. Grants that are subject to conditions are accounted for as expenditure when the conditions fall outside the control of the Corporation. Where conditions have been set that remain within the control of the Corporation, the grant is not accounted for as expenditure, but is treated as a contingent liability.

1.4 Classification of Incoming Resources and Resources Expended

Costs of Generating Funds include, primarily, publicity costs. The Corporation does not engage in fundraising activities.

Charitable Activities comprise the incoming and outgoing resources that relate directly to the Charitable Activities of the Corporation. These include the services provided to churches and members, the gift aid scheme, administration of trust funds, and the provision made for retired employees.

Governance Costs are those costs associated with the general management of the Corporation as the trustees ensure compliance with constitutional and statutory requirements. They include the costs of preparing for, and holding, trustees' meetings, the cost of preparing statutory accounts and annual returns, and the cost of the annual audit.

1.5 Allocation of Costs

Expenditure that relates directly to one activity category is allocated in full to that activity. Expenditure (such as staff costs and office costs) that relates to a number of activity categories, is apportioned according to the approximate amount of time spent on each activity, as follows: Costs of Generating Funds 5%, Charitable Activities 85%, Governance 10%. 20% of the above costs are treated as "support costs" and an analysis is provided in note 21.

1.6 Capitalisation of Fixed Assets

Expenditure in excess of £500 on the acquisition and installation of fixed assets is capitalised. Fixed Assets received by way of gift are capitalised and included in income at their market value.

GRACE BAPTIST TRUST CORPORATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

1.7 Depreciation

Fixtures and Fittings, and Office Equipment

Provision for depreciation is made at rates calculated to write off the cost of the assets, less any residual value, over their useful lives as follows:

Fixtures and Fittings	10 Years
Office Equipment	3 Years

Whilst it is considered that the assets of the Corporation are unlikely to become impaired, any asset that is found to have a net book value higher than its net realisable value or its value in use is written down to the higher of those values.

1.8 Gains and Losses on Tangible Fixed Assets held for the Corporation's own use

A surplus arising on the disposal of fixed assets is included in the Income and Expenditure Account and the Statement of Financial Activities (under "Other Incoming Resources") as a realised gain on the disposal of fixed assets.

Impairment losses or deficits arising on the disposal of fixed assets are included in the Income and Expenditure Account and the Statement of Financial Activities (under the appropriate activity category within "Resources Expended") as an additional depreciation charge.

Realised gains and losses arising on the disposal of fixed assets held in a particular fund form part of that fund.

The Corporation does not have a policy of revaluing Tangible Fixed Assets.

1.9 Investments

Fixed Asset Investments are included in the Balance Sheet at market value. The surplus or deficit arising on revaluation is included in the Statement of Financial Activities (under "Investment Gains or Losses"). The surplus or deficit arising on disposal is included in the Income and Expenditure Account and the Statement of Financial Activities (under "Investment Gains or Losses").

Realised and unrealised gains and losses on investment assets held in a particular fund form part of that fund.

1.10 Pension Scheme

The Corporation contributes to employees' Personal Pension Plans on a defined contribution basis. Contributions are charged to the Income and Expenditure Account as they become payable.

GRACE BAPTIST TRUST CORPORATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
2. INCOMING RESOURCES							
Generated Funds							
Subscriptions and Donations	4	11,070		24,036	104	35,210	23,832
Legacies						-	44,712
Interest Receivable	5	1,701	2,170	1,376		5,247	3,972
Investment Income	6	<u>7,636</u>	<u>21,746</u>	<u>5,490</u>		<u>34,872</u>	<u>32,899</u>
		<u>20,407</u>	<u>23,916</u>	<u>30,902</u>	<u>104</u>	<u>75,329</u>	<u>105,415</u>
Charitable Activities							
Gift Aid Scheme	7			393,604		393,604	378,232
Professional Services	8	<u>3,583</u>	<u>15</u>			<u>3,598</u>	<u>16,068</u>
		<u>3,583</u>	<u>15</u>	<u>393,604</u>	<u>-</u>	<u>397,202</u>	<u>394,300</u>
Other Incoming Resources							
Trust Income	9	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Incoming Resources		<u>23,990</u>	<u>23,931</u>	<u>424,506</u>	<u>104</u>	<u>472,531</u>	<u>499,715</u>
3. RESOURCES EXPENDED							
Costs of Generating Funds							
Publicity	10	<u>5,802</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,802</u>	<u>6,927</u>
		<u>5,802</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,802</u>	<u>6,927</u>
Charitable Activities							
Advisory Services	11	56,637				56,637	55,159
Benevolent Payments	12			13,035		13,035	14,950
Educational Support	13			115		115	500
Gift Aid Scheme	14	9,568		392,128		401,696	390,838
Ministry Support	15	957		10,979		11,936	9,592
Professional Services	16	<u>14,352</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,352</u>	<u>13,955</u>
		<u>81,514</u>	<u>-</u>	<u>416,257</u>	<u>-</u>	<u>497,771</u>	<u>484,994</u>
Governance Costs							
Audit Fee	17	5,760				5,760	6,130
Legal Fees	18					-	-
Statutory Compliance	19	4,784				4,784	4,652
Trustees' Meetings and Expenses	20	<u>9,275</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,275</u>	<u>8,499</u>
		<u>19,819</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,819</u>	<u>19,281</u>
Total Resources Expended		<u>107,135</u>	<u>-</u>	<u>416,257</u>	<u>-</u>	<u>523,392</u>	<u>511,202</u>

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

	2012 £	2011 £
4. SUBSCRIPTIONS AND DONATIONS		
Churches	24,505	11,370
Individuals	9,128	10,875
Subscriptions	985	995
Charities	<u>592</u>	<u>592</u>
	<u>35,210</u>	<u>23,832</u>
5. INTEREST RECEIVABLE		
Bank Deposits	5,156	3,848
Loans	87	124
Other	<u>4</u>	<u>-</u>
	<u>5,247</u>	<u>3,972</u>
6. INVESTMENT INCOME		
Unlisted Investments - GBTC Common Investment Fund	<u>34,872</u>	<u>32,899</u>
7. GIFT AID SCHEME		
Donations	<u>393,604</u>	<u>378,232</u>
8. PROFESSIONAL SERVICES		
Services Rendered in Connection with Trust Fund Administration	1,967	1,566
Services Rendered in Connection with the Sale of Redundant Chapels	-	-
Other Services Rendered	<u>1,631</u>	<u>14,502</u>
	<u>3,598</u>	<u>16,068</u>
9. TRUST INCOME		
Proceeds from Sale of Redundant Chapels	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

	Direct Costs £	Grants £	Support Costs £	2012 £	2011 £
10. PUBLICITY					
Promotion	<u>4,845</u>	<u>-</u>	<u>957</u>	<u>5,802</u>	<u>6,927</u>
11. ADVISORY SERVICES					
Providing Advice and Information to churches	<u>46,112</u>	<u>-</u>	<u>10,525</u>	<u>56,637</u>	<u>55,159</u>
12. BENEVOLENT PAYMENTS					
Grants are made to Individuals					
Benevolent Fund	-	35	-	35	300
Ministers' Aid Fund	-	1,000	-	1,000	750
The Pastors' fund	<u>-</u>	<u>12,000</u>	<u>-</u>	<u>12,000</u>	<u>13,900</u>
	<u>-</u>	<u>13,035</u>	<u>-</u>	<u>13,035</u>	<u>14,950</u>
13. EDUCATIONAL SUPPORT					
Grants are made to Individuals					
B A Warburton Memorial Fund	<u>-</u>	<u>115</u>	<u>-</u>	<u>115</u>	<u>500</u>
14. GIFT AID SCHEME					
Administration	7,654	-	1,914	9,568	9,303
Disbursements	<u>392,128</u>	<u>-</u>	<u>-</u>	<u>392,128</u>	<u>381,535</u>
	<u>399,782</u>	<u>-</u>	<u>1,914</u>	<u>401,696</u>	<u>390,838</u>

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

	Direct Costs £	Grants £	Support Costs £	2012 £	2011 £
15. MINISTRY SUPPORT					
Church Projects	<u>10,979</u>	-	<u>957</u>	<u>11,936</u>	<u>9,592</u>
16. PROFESSIONAL SERVICES					
Services Rendered in Furtherance of Charitable Objects	<u>11,482</u>	-	<u>2,870</u>	<u>14,352</u>	<u>13,955</u>
17. AUDIT FEE					
Audit Fee	<u>5,760</u>	-	-	<u>5,760</u>	<u>6,130</u>
18. LEGAL FEES					
Legal Fees	-	-	-	-	-
19. STATUTORY COMPLIANCE					
Preparation of Statutory Accounts and Annual Returns	<u>3,827</u>	-	<u>957</u>	<u>4,784</u>	<u>4,652</u>
20. TRUSTEES' MEETINGS AND EXPENSES					
Trustee Indemnity Insurance	2,207	-	-	2,207	2,207
Trustees' Expenses	1,909	-	-	1,909	1,386
Trustees' Meetings	<u>4,202</u>	-	<u>957</u>	<u>5,159</u>	<u>4,906</u>
	<u>8,318</u>	-	<u>957</u>	<u>9,275</u>	<u>8,499</u>

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

21. ANALYSIS OF SUPPORT COSTS

	Staff Benefits £	Office Expenses £	Property Expenses £	2012 £	2011 £
Costs of Generating Funds					
Publicity	731	122	104	957	930
Charitable Activities					
Advisory Services	8,039	1,335	1,151	10,525	10,234
Gift Aid Scheme	1,462	243	209	1,914	1,861
Ministry Support	731	122	104	957	930
Professional Services	2,192	365	313	2,870	2,791
Governance Costs					
Statutory Compliance	731	122	104	957	930
Trustees' Meetings	<u>731</u>	<u>122</u>	<u>104</u>	<u>957</u>	<u>930</u>
	<u>14,617</u>	<u>2,431</u>	<u>2,089</u>	<u>19,137</u>	<u>18,606</u>

Support Costs are apportioned over the activity categories to which they relate in proportion to the approximate amount of time spent on each activity, as follows:

Costs of Generating Funds (5%)

Publicity 5%

Charitable Activities (85%)

Advisory Services 55%

Gift Aid Scheme 10%

Ministry Support 5%

Professional Services 15%

Governance Costs (10%)

Statutory Compliance 5%

Trustees' Meetings 5%

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

22. MOVEMENT IN FUNDS

	Balance 1.1.12	Income	Expenditure	Transfers	Investment Gains/(Losses)	Balance 31.12.12
	£	£	£	£	£	£
Unrestricted Funds						
General Fund	<u>245,996</u>	<u>23,990</u>	<u>107,135</u>	<u>87,068</u>	<u>3,856</u>	<u>253,775</u>
Designated Funds						
Support Fund	<u>1,082,680</u>	<u>23,931</u>	<u>-</u>	<u>(80,000)</u>	<u>11,684</u>	<u>1,038,295</u>
Restricted Funds						
Gift Aid Donations	22,335	393,604	392,128	(7,068)	-	16,743
Edlesborough Fund	6,182	1,965	4,946	-	-	3,201
Halstead Fund	13,291	2,237	6,033	-	-	9,495
Stoke Golding Fund	90,242	18,946	-	-	-	109,188
B A Warburton Memorial Fund	115	188	115	-	-	188
Ministers' Aid Fund	1,218	451	1,000	-	-	669
Benevolent Fund	37	53	35	-	-	55
The Pastors' Fund	<u>52,972</u>	<u>7,062</u>	<u>12,000</u>	<u>-</u>	<u>-</u>	<u>48,034</u>
	<u>186,392</u>	<u>424,506</u>	<u>416,257</u>	<u>(7,068)</u>	<u>-</u>	<u>187,573</u>
Endowment Funds						
B A Warburton Memorial Fund	5,939	-	-	-	101	6,040
Ministers' Aid Fund	10,843	104	-	-	183	11,130
Benevolent Fund	1,672	-	-	-	28	1,700
The Pastors' Fund	154,656	-	-	-	2,635	157,291
Loan Fund	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
	<u>198,110</u>	<u>104</u>	<u>-</u>	<u>-</u>	<u>2,947</u>	<u>201,161</u>
TOTAL FUNDS	<u>1,713,178</u>	<u>472,531</u>	<u>523,392</u>	<u>-</u>	<u>18,487</u>	<u>1,680,804</u>

The transfer from Restricted Funds to the General Fund represents the fee charged by the Corporation for administering the Gift Aid Scheme and the transfer from Designated Funds to the General Fund represents an adjustment offsetting the shortfall between General Fund income and expenditure.

The balance of Gift Aid Donations will be disbursed in accordance with the wishes of the donors in the forthcoming financial year and the balances in the Edlesborough, Halstead and Stoke Golding funds will be dispersed as the need arises to support the ministry in those causes. Grants will be made from the B A Warburton Memorial Fund, the Ministers' Aid Fund, the Benevolent Fund, and the Pastors' Fund as the need arises.

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

23. SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES

	2012	2011
	£	£
This is stated after charging:		
Audit Fee	5,760	6,130
Depreciation	321	624
Pension Fund Contributions	8,474	8,101
Rent	8,163	8,000
	<hr/>	<hr/>

24. TANGIBLE FIXED ASSETS

	Fixtures Fittings and Equipment	Total
	£	£
Cost		
Balance as at 1 January 2012	42,049	42,049
Additions	-	-
Disposals	-	-
Balance as at 31 December 2012	<u>42,049</u>	<u>42,049</u>
 Accumulated Depreciation		
Balance as at 1 January 2012	40,634	40,634
Charge for year	321	321
Eliminated in respect of Disposals	-	-
Balance as at 31 December 2012	<u>40,955</u>	<u>40,955</u>
 Net Book Value as at 31 December 2012	 <u>1,094</u>	 <u>1,094</u>
 Net Book Value as at 31 December 2011	 <u>1,415</u>	 <u>1,415</u>

GRACE BAPTIST TRUST CORPORATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

25. FIXED ASSET INVESTMENTS

	2012 Cost £	2011 Cost £	2012 Valuation £	2011 Valuation £
Unlisted Investments:				
At 1 January 2012	956,865	956,682	1,085,417	1,088,391
Additions	105	183	105	183
Disposals	-	-	-	-
Investment Gains/(Losses)	-	-	18,487	(3,157)
At 31 December 2012	<u>956,970</u>	<u>956,865</u>	<u>1,104,009</u>	<u>1,085,417</u>

The investments listed above are held primarily to provide an income and consist of units held in the Grace Baptist Trust Corporation Common Investment Fund, by the following funds:

General Fund	156,503	Units	197,163	197,163	230,205	226,349
Support Fund	474,288	Units	591,510	591,510	697,643	685,958
B A Warburton Fund	4,106	Units	4,808	4,808	6,040	5,939
Ministers' Aid Fund	7,567	Units	9,733	9,628	11,130	10,843
Benevolent Fund	1,156	Units	1,354	1,354	1,700	1,672
The Pastors' Fund	106,933	Units	<u>152,402</u>	<u>152,402</u>	<u>157,291</u>	<u>154,656</u>
			<u>956,970</u>	<u>956,865</u>	<u>1,104,009</u>	<u>1,085,417</u>

26. DEBTORS

	Due after one year	Due within one year	2012 £	2011 £
Loans to Churches	86,610	16,337	102,947	92,438
Prepayments and Accrued Income	-	1,933	1,933	1,846
Other Debtors	-	<u>1,387</u>	<u>1,387</u>	<u>12,615</u>
	<u>86,610</u>	<u>19,657</u>	<u>106,267</u>	<u>106,899</u>

27. CREDITORS

	2012 £	2011 £
Due within one year		
Taxation and Social Security Costs	1,565	4,583
Accruals and Deferred Income	<u>6,149</u>	<u>6,197</u>
	<u>7,714</u>	<u>10,780</u>

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

28. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Investments £	Current Assets £	Current Liabilities £	Net Assets £
Unrestricted Funds					
General Fund	<u>1,094</u>	<u>230,205</u>	<u>30,190</u>	<u>(7,714)</u>	<u>253,775</u>
Designated Funds					
Support Fund	<u>-</u>	<u>697,643</u>	<u>340,652</u>	<u>-</u>	<u>1,038,295</u>
Restricted Funds					
Gift Aid Donations	-	-	16,743	-	16,743
Edlesborough Fund	-	-	3,201	-	3,201
Halstead Fund	-	-	9,495	-	9,495
Stoke Golding Fund	-	-	109,188	-	109,188
B A Warburton Memorial Fund	-	-	188	-	188
Ministers' Aid Fund	-	-	669	-	669
Benevolent Fund	-	-	55	-	55
The Pastors' Fund	<u>-</u>	<u>-</u>	<u>48,034</u>	<u>-</u>	<u>48,034</u>
	<u>-</u>	<u>-</u>	<u>187,573</u>	<u>-</u>	<u>187,573</u>
Endowment Funds					
B A Warburton Memorial Fund	-	6,040	-	-	6,040
Ministers' Aid Fund	-	11,130	-	-	11,130
Benevolent Fund	-	1,700	-	-	1,700
The Pastors' Fund	-	157,291	-	-	157,291
Loan Fund	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
	<u>-</u>	<u>176,161</u>	<u>25,000</u>	<u>-</u>	<u>201,161</u>
TOTAL FUNDS	<u>1,094</u>	<u>1,104,009</u>	<u>583,415</u>	<u>(7,714)</u>	<u>1,680,804</u>

29. DETAILS OF FUNDS

29.1 General Funds

General Funds are expendable at the discretion of the directors in furtherance of the objects of the Corporation. It is the desire of the directors that the costs of running the Corporation will be met out of membership subscriptions, voluntary donations, professional services and investment income arising from General Fund reserves.

29.2 Designated Funds

Designated Funds, otherwise known as the "Support Fund", comprise unrestricted funds received by the Corporation following the disposal of redundant chapels or the closure of certain trust funds. These funds have been set aside by the directors in order to provide loans to churches that are undertaking significant maintenance projects. In addition a transfer is made to the General Fund, as necessary.

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

29. DETAILS OF FUNDS (Continued)

29.3 Restricted Funds

Restricted Funds consist of income arising from the Corporation's Endowment Funds, (see 29.4), which is available for distribution, donations which have been given to support the ministry of specific churches, and donations given under the Corporation's Gift Aid scheme. These donations are distributed to local churches, missionary societies, and other charitable causes that further the aims of the Corporation in accordance with the instructions of the donors.

29.4 Endowment Funds

The Pastors' Fund

The Pastors' Fund was established in 2010 following the closure of the Strict Baptist Trust and the Strict Baptist Pension Fund under the provisions of section 74 of the Charities Act 1993. The permanent endowment of those charities has now become the permanent endowment of the Corporation. Income arising from the Pastors' Fund Endowment is included in Restricted Funds and is used to pay grants to Strict Baptist pastors, whether currently serving or retired.

B A Warburton Memorial Fund

The B A Warburton Memorial Fund was established in 1963. Desiring to encourage the training of men among Strict Baptist churches who planned to enter the Ministry, the members of the Tabernacle Baptist Church, Brighton collected funds in memory of their late pastor, Benjamin A Warburton. The objects of the Trust are:

- To render assistance to men who, following a definite and clear call by the Holy Spirit to the ministry of the Gospel, seek to study and apply all diligence to the duty set before them.
- To keep the fund separate and distinct from all other Corporation funds.
- To seek further donations in order to build up the capital, and to invest the same.
- To distribute the dividends in accordance with the purposes of the fund.

Ministers' Aid Fund

The Ministers' Aid Fund was established in 1917 to provide temporary or permanent financial assistance to ministers connected with the Strict and Particular Baptist denomination and the income is available for distribution. Under the terms of the trust:

- "Ministers" are defined as pastors or ex pastors of such churches or persons who have for a period of three years or upwards regularly engaged in preaching the Gospel in churches of the denomination whether continuing to do so or not.
- The Trustees (Grace Baptist Trust Corporation) shall and will stand possessed of the sum representing the Fund, and any further sums of money that may be added to it, to be held upon the trusts declared.
- All securities and income belonging to the fund are to be kept separate from other securities and money.
- 50% of additions to the fund are to be added to capital, and 50% distributed as income.

Benevolent Fund

The Benevolent Fund was established in 1923 for the temporary or permanent benefit of needy persons connected with the Strict and Particular Baptist denomination whether such persons are pastors, itinerant ministers, members or regular attendees at any church in the denomination or the children of any such persons. Under the terms of the trust:

- The Trustees (Grace Baptist Trust Corporation) shall and will stand possessed of the sum representing the Fund, and any further sums of money that may be added to it, to be held upon the trusts declared.
- All securities and income belonging to the fund are to be kept separate from other securities and money.
- 50% of additions to the fund are to be added to capital, and 50% distributed as income.

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

29. DETAILS OF FUNDS (Continued)

29.4 Endowment Funds (Continued)

Loan Fund

The Loan Fund was established by a Trust Deed dated 16 April 1912. Under the terms of the trust:

- The Trustees (Grace Baptist Trust Corporation) are to stand possessed of One Thousand Pounds representing the fund, and any further sums of money that may at any time come into their hands as additions to the fund.
- The funds are to be advanced by way of loan to the Trustees or members of any Strict and Particular Baptist Church in the United Kingdom for the purpose of acquiring or constructing land or buildings for use in connection with Strict and Particular Baptist Churches.
- Any sums not immediately required are to be placed on deposit or invested in such investments as Trustees are authorised to invest in by law.
- The income arising from any such investment is to be used for the General Purposes of the Corporation.
- All loans are to be Interest-free and repaid over a period of not more than ten years.

30. EMPLOYEE INFORMATION

	2012	2011
	£	£
Total Payroll Costs comprised:		
Wages and Salaries	58,589	56,644
Employers' NIC	6,020	5,799
Other Pension Costs	<u>8,474</u>	<u>8,101</u>
	<u>73,083</u>	<u>70,544</u>

No employee received emoluments in excess of £60,000 in either year.

The average number of employees in the year was 2 (2011:2)

The Corporation contributed to two employee's Personal Pension Plans during the year (2011:2). There were no outstanding contributions at the year end.

31. BOARD OF DIRECTORS

No members of the Board received any remuneration during the year (2011: £0). Nine members claimed travelling expenses totalling £1,909 (2011: Seven members claimed £1,386).

32. FINANCIAL COMMITMENTS

The following payments will fall due in the year to 31.12.2013 under non-cancellable operating leases:

	2012	2011
	£	£
Expiring within 12 months	—	<u>5,792</u>
Expiring within 2 – 5 years	<u>8,500</u>	—

GRACE BAPTIST TRUST CORPORATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

33. RELATED PARTY TRANSACTIONS

Grace Baptist Church, Warboys

An interest-free loan of £25,000, repayable over ten years, was made to the church in 2011 to assist with the chapel building project. The balance outstanding at 31 December 2012 was £20,000.

Mr D Schwier, a Director of the Corporation, was a member of the church for part of the year.

Peel Street Baptist Church, Accrington

An interest-free loan of £24,000, repayable over ten years, was made to the church in 2012 to assist with a lift installation project designed to make the chapel more accessible. The balance outstanding at 31 December 2012 was £24,000.

One of the members of the church, Mr P Canty, is a Director.

GRACE BAPTIST TRUST CORPORATION

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30	Movement in Unit Holders' Funds
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GRACE BAPTIST TRUST CORPORATION
COMMON INVESTMENT FUND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2012

CONSTITUTION

The Common Investment Fund was established by a Scheme of the Charity Commission dated 27th August 1987.

The Fund invests capital on behalf of the Corporation and other Churches and Trust Funds of which the Corporation is a Trustee. The Directors of the Corporation act as Trustees of the Common Investment Fund.

MANAGEMENT

The Trustees have delegated the day-to-day management and administration of the fund to Fund Managers, Quilter & Co Limited.

STRUCTURE

The fund operates as a Unit Trust. The total fund is divided into units which are created or cancelled on the receipt of new funds or the redemption of holdings. At 31 December 2012 units totalled 3,245,117 (2011: 3,004,475) and were valued at £1.47092724 per unit (2011: £1.44629162), based on the portfolio of investments.

INVESTMENT STRATEGY

Approximately 75% of the total units are held by permanently endowed trust funds that demand a high level of income in the absence of any realistic opportunities for the utilisation of their capital. Consequently, the investment strategy of the fund is to achieve a robust income yield coupled with long-term capital growth as an inflationary hedge. Investment performance is governed by the Trustees' acceptance of a cautious to moderate level of risk and their adoption of an ethical stance that prevents investment in sectors covering alcohol, gambling, pornography, and tobacco. The Trustees and Fund Managers have agreed a target asset allocation of fixed interest stocks, gilts and corporate bonds (55%), equities and structured investments (35%), and property (10%) that is designed to achieve these objectives. In the absence of a suitable standard benchmark that equates to the requirements of the Corporation, the Trustees and Fund Managers have formulated a specialist benchmark against which the performance of the fund is to be monitored. The income yield achieved was 3.4% against a target of 3.5%, and the total return achieved was 4.9% against the benchmark of 6.3%.

RESPONSIBILITY

The Trustees are responsible for the approval of the Investment Strategy, which is agreed with the Fund Manager. The Trustees meet periodically to review the management of the funds and to confirm any policies required.

GRACE BAPTIST TRUST CORPORATION
COMMON INVESTMENT FUND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

RESPONSIBILITIES OF THE TRUSTEES

The Trustees of the Common Investment Fund are required by the Scheme of the Charity Commission dated 27th August 1987, made under the Charities Act 1960, to prepare financial statements in accordance with the Charities (Accounts and Reports) Regulations 2008. In preparing the financial statements the Trustees are required to:

- Select suitable accounting policies that are appropriate for the Fund and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Follow generally accepted accounting principles and applicable accounting standards, subject to any material departure disclosed and explained in the financial statements.
- Follow the disclosure requirements of the Statement of Recommended Practice for Financial Statements of Authorised Funds (2010).
- Prepare the financial statements on the basis that the Fund will continue in operation unless it is inappropriate to presume this.

The Trustees are required to manage the Fund in accordance with the Scheme, maintain accounting records and take reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Trustees

D W J Skull

K C W Wiltshire

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF GRACE BAPTIST TRUST CORPORATION COMMON INVESTMENT FUND

We have audited the financial statements of Grace Baptist Trust Corporation Common Investment Fund for the year ended 31st December 2012 on pages 30 to 36. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Trustees, as a body, in accordance with Section 144 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 28, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on auditing (UK and Ireland). Those standards require us to comply with Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statement

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2012 and 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.

Matters on which we are required to report by exception

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

- the financial statements are not in agreement with the accounting records and returns; or
- sufficient accounting records have not been kept; or
- we have not received all the information and explanations we require for our audit; or
- the information given in the Trustees Report is inconsistent in any material respect with the financial statements

Acumen, Statutory Auditor

Craven House, Lansbury Estate
102 Lower Guildford Road
Knaphill, Woking
Surrey GU21 2EP

GRACE BAPTIST TRUST CORPORATION
COMMON INVESTMENT FUND
STATEMENT OF TOTAL RETURN
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012		2011	
		£	£	£	£
Net Gains/(Losses) on Investments during the Year	2		67,032		(14,701)
Gross Income	3	155,439		135,943	
Expenses	4	<u>900</u>		<u>810</u>	
Net Income			154,539		135,133
Total Return for the Year			<u>221,571</u>		<u>120,432</u>
Distributions	5		148,626		131,906
Net Increase/(Decrease) in Unit Holders' Funds from Investment Activities			<u>72,945</u>		<u>(11,474)</u>

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012		2011	
		£	£	£	£
Net Assets as at 1 January 2012			4,345,347		4,378,866
Movement due to the Creation and Cancellation of Units					
Amounts Received on Creation of Units		355,039		115,223	
Amounts Paid on Cancellation of Units		<u>-</u>		<u>137,268</u>	
			355,039		(22,045)
Net Increase/(Decrease) In Unit Holders' Funds from Investment Activities			72,945		(11,474)
Net Assets as at 31 December 2012			<u>4,773,331</u>		<u>4,345,347</u>

GRACE BAPTIST TRUST CORPORATION
COMMON INVESTMENT FUND
BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012		2011	
		£	£	£	£
Portfolio of Investments			4,744,874		4,322,803
Current Assets					
Debtors	6		29,357		23,384
Cash at Bank and in COIF	7		-		-
			<u>29,357</u>		<u>23,384</u>
Current Liabilities					
Creditors	8		<u>(900)</u>		<u>(840)</u>
Net Current Assets	9		28,457		22,544
Net Assets			<u>4,773,331</u>		<u>4,345,347</u>
Unit Holders' Funds			<u>4,773,331</u>		<u>4,345,347</u>

The Financial Statements on pages 30-36 were approved by the Trustees on 4 March 2013.

D W J Skull

K C W Wiltshire

GRACE BAPTIST TRUST CORPORATION
COMMON INVESTMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

1.1 Accounting Conventions

These financial statements have been prepared under the historic cost convention, as modified by the revaluation of investments, and are in accordance with the Charities (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice for Financial Statements of Authorised Funds (2010).

1.2 Dividends and Other Income

Dividends on ordinary stocks are credited to income when receivable. Interest on Government Stocks, Convertible Loan Stocks, and Bank Deposits is accrued on a daily basis.

1.3 Distribution Policy

The Fund distributes, in full, the income that is accumulated between distribution dates.

1.4 Investment Valuation

Investments are valued at the mid-market valuation at the close of business on the accounting date.

1.5 Taxation

The Fund is exempt from UK Income and Capital Gains Tax due to its charitable status.

1.6 Fund Management Expenses

Fund Management Expenses are charged against the Capital Value of the Fund. Owing to a procedural change by Quilter, part of the fee that would normally have been charged in January 2013 (amounting to £7,646) was charged in October 2012.

2. NET GAINS ON INVESTMENTS

The Net Gains/(Losses) on Investments during the year comprise:

	2012	2011
	£	£
Proceeds from sale of investments sold during the year	814,119	168,329
Original cost of investments sold during the year	<u>732,517</u>	<u>276,301</u>
Gains/(Losses) realised on investments sold during the year	81,602	(107,972)
Net Losses/(Gains) thereon already recognised in previous years	<u>74,772</u>	<u>74,213</u>
	6,830	(33,759)
Net unrealised appreciation for the year	<u>98,498</u>	<u>49,214</u>
	105,328	15,455
Fund Management Expenses	<u>38,296</u>	<u>30,156</u>
Net Gains/(Losses) on Investments	<u>67,032</u>	<u>(14,701)</u>

3. GROSS INCOME

	2012	2011
	£	£
UK Equities	76,171	56,503
UK Fixed Interest	69,055	60,804
Overseas Equities	2,212	4,888
Overseas Fixed Interest	4,596	12,357
Interest on Deposits	<u>3,405</u>	<u>1,391</u>
	<u>155,439</u>	<u>135,943</u>

GRACE BAPTIST TRUST CORPORATION
COMMON INVESTMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

4. EXPENSES

	2012 £	2011 £
Audit Fee	<u>900</u>	<u>810</u>
	<u>900</u>	<u>810</u>

5. DISTRIBUTIONS

Distributions take account of income received on the creation of units and income deducted on the cancellation of units.

	Pence per Unit	2012 £	2011 £
20 May 2012	1.9233654	62,344	58,268
20 November 2012	2.6616048	<u>86,282</u>	<u>73,638</u>
		<u>148,626</u>	<u>131,906</u>

6. DEBTORS

	2012 £	2011 £
Amounts due from Fund Managers	28,367	23,080
Accrued Income	<u>990</u>	<u>304</u>
	<u>29,357</u>	<u>23,384</u>

7. CASH AT BANK AND IN COIF

	2012 £	2011 £
Cash at Bank	<u>-</u>	<u>-</u>

8. CREDITORS

	2012 £	2011 £
Accruals	<u>900</u>	<u>840</u>

GRACE BAPTIST TRUST CORPORATION
COMMON INVESTMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

9. INCOME RESERVE

The income reserve represents the income received by the Fund since the last distribution date.

	2012 £	2011 £
Income Reserve as at 1 January 2012	22,544	19,317
Transfer to/(from) Income Reserve	<u>5,913</u>	<u>3,227</u>
Income Reserve as at 31 December 2012	<u>28,457</u>	<u>22,544</u>

10. TRUSTEES

The Trustees received no remuneration or expenses.

SUMMARY OF SIGNIFICANT CHANGES IN THE PORTFOLIO
FOR THE YEAR ENDED 31 DECEMBER 2012

PURCHASES		COST
230,000	Royal London Utm UK Govt Bond	203,488
16,000	Sainsbury	49,277
39,000	J P Morgan Am UK Emg Mkts	41,559
80,000	UK Government 3.75% Gilt 2020	94,400
1,200	Findlay Park American Funds	34,070
90,000	Axa IM US Short Duration High Yield	91,120
15,000	Marks and Spencer	49,999
4,621	HSBC Holdings	25,078
6,500	Land Securities Group	44,681
3,600	Prudential	25,273
110,000	Charities Property Fund	<u>107,855</u>
		<u>766,800</u>
SALES		PROCEEDS
5,300	BG Group	76,781
4,750	J P Morgan Emg Mkts	26,662
3,400	Standard Chartered	40,799
37,816	Investec American	35,199
109,000	Standard Life Select Property Inc	38,695
80,000	Investors in Global Real Estate	69,159
12,500	Barclays	28,046
80,000	UK Government 2.5% index Linked 2013	229,096
10,000	UK Government 2.5% index Linked 2020	36,324
2,300	Shire	48,690
40,000	BlackRock UK Absolute Alpha	46,800
100,000	UK Government Stock 5% 2014	<u>109,360</u>
		<u>785,611</u>

GRACE BAPTIST TRUST CORPORATION

COMMON INVESTMENT FUND

PORTFOLIO STATEMENT AS AT 31 DECEMBER 2012

	Market Value as at 31.12.12		% of total Portfolio
	£	£	
<u>UNITED KINGDOM</u>			
UK FIXED INTEREST			
Government Stock			
£185,000 Treasury 4.75% Stock 2015		209,437	
£150,000 Treasury 5% Stock 2014		164,158	
£150,000 Treasury 4.75% Stock 2020		187,483	
£120,000 Treasury 3.75% Stock 2020		141,650	
£200,000 Treasury 5% Gilt 2018		244,377	
£75,000 Treasury 2.5% Index Linked Stock 2020		280,342	
£45,000 Treasury 2.5% Index Linked Stock 2016		<u>155,973</u>	
		1,383,420	29
Corporate Bonds			
£45,000 Tesco 4% 2016 (Index Linked)		75,281	
£90,000 Euro Inv Bank Recon&Dev 5.875% 2014		99,592	
£155,000 Allianz Gbl Inv UK Allz Pimco Gilt		261,718	
£230,000 Royal London Utm UK Gov Bond		204,378	
£100,000 European Investment Bank 4.5% 2013		<u>104,460</u>	
		745,429	16
UK EQUITIES			
2,500 BG Group		25,313	
16,000 BP		67,968	
3,600 Royal Dutch Shell		78,300	
1,909 Johnson Matthey		45,358	
1,616 Rio Tinto		56,746	
3,300 Unilever		78,078	
6,800 Glaxosmithkline		90,780	
13,500 Tesco		45,360	
9,300 Firstgroup		19,465	
1,900 Whitbread		46,493	
20,000 BT Group		46,220	
55,000 Vodafone Group		84,948	
4,000 Scottish and Southern Energy		56,720	
17,000 Centrica		56,712	
9,800 National Grid		68,894	
12,500 Barclays		32,800	
15,600 HSBC		100,916	
15,000 Aviva		55,950	
3,200 Severn Trent		50,368	
1,320 Weir Group		24,803	
16,000 Sainsbury		55,216	
15,000 Marks & Spencer Group		57,345	
3,600 Prudential		31,158	
6,500 Land Securities Group		<u>52,878</u>	
		1,328,789	28
OTHER INVESTMENT FUNDS - PROPERTY			
9,305 Thames River Capital (CI) Growth & Income		<u>103,756</u>	
		103,756	2

GRACE BAPTIST TRUST CORPORATION
COMMON INVESTMENT FUND
PORTFOLIO STATEMENT AS AT 31 DECEMBER 2012

(Continued)

	Market Value as at 31.12.12	% of total Portfolio
	£	
<u>UNITED KINGDOM</u> (Continued)		
CASH BALANCES		
Citi Quilter Investment Managers	55,172	
COIF Charities Deposit Fund	<u>402,132</u>	
	<u>457,304</u>	<u>9</u>
	4,018,698	84
<u>EUROPE</u>		
EQUITIES		
14,000 J O Hambro Continental European	34,118	
13,000 Cazenove Investment Fund European Fund	<u>61,282</u>	
	95,400	2
<u>USA</u>		
FIXED INTEREST		
165,000 AXA Investment Managers Short Duration High Yield	<u>171,765</u>	
	171,765	3
EQUITIES		
1,200 Findlay Park Fds American	35,700	
6,300 Ishares S & P	54,109	
3,050 Schroder UT Ltd US Smaller Companies	<u>37,881</u>	
	127,690	3
<u>FAR EAST</u>		
EQUITIES		
28,000 Aberdeen Unit Trusts Asia Pacific	<u>54,404</u>	
	54,404	1
<u>GLOBAL</u>		
PROPERTY FUNDS		
110,000 Charities Property Fund	105,677	
150,000 Swip Fund Management Property Trust	<u>128,535</u>	
	234,212	5
EQUITIES		
39,000 J P Morgan Asset Management Emerging Markets	<u>42,705</u>	
	42,705	1
PORTFOLIO OF INVESTMENTS	<u>4,744,874</u>	<u>99</u>
NET CURRENT ASSETS	28,457	1
NET ASSETS	<u>4,773,331</u>	<u>100</u>

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TRUST FUNDS

37	Receipts and Payments Account
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GRACE BAPTIST TRUST CORPORATION
TRUST FUND RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	£	£
Receipts		
Various Trusts	163,377	108,831
Payments		
Various Trusts	99,865	339,089
Surplus/(Deficit) of Receipts over Payments	<u>63,512</u>	<u>(230,258)</u>
Balances brought forward as at 1 January 2012	784,320	1,014,578
Balances carried forward as at 31 December 2012	<u>847,832</u>	<u>784,320</u>

The Corporation acts as a Trustee for the charitable trusts that are listed on pages 38 and 39 and the Receipts and Payments Account above is a consolidated summary of the accounts of these trusts. The accounts include both Capital and Revenue amounts. Separate accounts are maintained for each of the trusts and returns are made to the Charity Commission where appropriate. The Receipts and Payments Account and the investments held on behalf of the Trusts (see below) are kept separate from those of the Corporation and are not included in the accounts set out on pages 10 to 26.

Investments held on behalf of various trusts

Interest in Grace Baptist Trust Corporation Common Investment Fund	£3,669,322
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GRACE BAPTIST TRUST CORPORATION

TRUST FUNDS

The following Chapel Trusts are administered by Order of the Charity Commission or by the terms of Trust Deeds. Churches qualified to benefit under the terms of the Trusts should communicate with the Chief Executive.

Dividends re the: -

ALTON TRUST to Strict and Particular Baptist Chapels in Hampshire, and adjoining counties of West and East Sussex, Surrey and Wiltshire.

AMERSHAM TRUST to Strict Baptist Chapels in Buckinghamshire.

ASKETT TRUST to Particular Baptist Chapels within 10 miles of Askett.

BERKHAMSTED TRUST to Strict Baptist Chapels in Hertfordshire within 20 miles of Berkhamsted.

BILSTON TRUST to Strict and Particular Baptist Chapels situated within a radius of 20 miles of Bilston.

BLACKBURN TRUST to Strict and Particular Baptist Chapels in Lancashire.

BRIDGWATER TRUST to Particular Baptist Chapels in Somerset and surrounding counties.

BURNLEY TRUST to Strict Baptist Chapels within a radius of 40 miles from Burnley.

COBHAM TRUST to Strict and Particular Baptist Chapels within a radius of 12 miles of Cobham.

CROYDON TRUST towards the upkeep, extension or improvement of the buildings of Strict and Particular Baptist Churches.

EDENBRIDGE TRUST to Strict and Particular Baptist Chapels in Kent, Surrey, East and West Sussex

EPPING TRUST to Strict and Particular Baptist Chapels in Essex within a radius of 25 miles of Epping.

FENLAND CHURCHES TRUST to Strict and Particular Baptist Chapels in Cambridgeshire, Norfolk and Lincolnshire.

GLOUCESTERSHIRE COMBINED CHARITIES to Strict and Particular Baptist Chapels in the County of Gloucestershire and adjoining counties.

HORLEY (LEE STREET) TRUST to Strict and Particular Baptist Chapels in Surrey, Hampshire, West and East Sussex.

HORNSEY RISE TRUST to Strict Baptist Chapels in Middlesex and London.

HORSTED KEYNES TRUST to Strict Baptist Chapels within 12 miles of Horsted Keynes.

IVINGHOE TRUST to Particular Baptist Chapels in the Counties of Bedfordshire, Buckinghamshire, Hertfordshire and Northamptonshire.

LEE CLUMP TRUST to Strict Baptist Chapels within 10 miles of the former Providence Baptist Chapel at Lee Clump.

MAIDSTONE (KING STREET) TRUST to Strict Baptist Chapels in the County of Kent.

MAIDSTONE (MOTE ROAD) TRUST to Strict Baptist Chapels within 30 miles of Maidstone.

MARDEN TRUST to Strict and Particular Baptist Chapels in Kent.

GRACE BAPTIST TRUST CORPORATION

TRUST FUNDS

(Continued)

RUSHDEN TRUST to Strict Baptist Chapels within 30 miles of Rushden.

SLEAFORD TRUST to Strict and Particular Baptist Chapels in Lincolnshire, and adjoining Counties of Cambridgeshire, Leicestershire and Nottinghamshire.

SOUTHBOROUGH TRUST to Strict Baptist Chapels in Kent.

TONBRIDGE TRUST to Strict and Particular Baptist Chapels in Kent.

UPPINGHAM TRUST to Strict and Particular Baptist Chapels at Uppingham, Leicestershire and the surrounding area.

WADDESDON HILL TRUST to Strict and Particular Baptist Chapels in the counties of Buckinghamshire, Bedfordshire and Hertfordshire.

WARBLETON TRUST to Particular Baptist Chapels with a preference for those in East Sussex.

WARRINGTON TRUST to Strict and Particular Baptist Chapels in the counties of Cheshire, Merseyside, Greater Manchester, Lancashire, Cumbria and West Yorkshire.

WILLINGDON TRUST to any Strict and Particular Baptist Chapel within 30 miles of Willingdon.

WILTSHIRE TRUST to any Strict and Particular Baptist Chapel in the County of Wiltshire.

WISBECH MANSE TRUST for the benefit of chapels of the Strict Baptist denomination.

WRIGHT MEMORIAL to Particular Baptist churches in Lancashire and West Yorkshire.

Trust Funds relating to the following places or persons are administered as directed by the Charity Commission, or by the terms of trust deeds or wills: Balham, Bedworth Manse, Bermondsey Manse, Brentford, Broadstairs, Brighton Manse, Brockham, Carlton, Devizes, Dunstable, Fleckney, Grundisburgh Manse, Haworth – Hartley Trust, Haworth Manse, Irthlingborough, Little Downham, Marden, Margate, Meopham Manse, Norris Legacy, Portsmouth Manse, Preston Settlement, St. Albans, Salhouse, Slaithwaite, Snodland, Stoke Golding, Thornhill Manse, Wattisham – Chaplin Legacy, Wimbledon.

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44	Ways you can Help us

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GRACE BAPTIST TRUST CORPORATION

BASIS OF FAITH

1. The verbal inspiration of the Holy Scriptures of the Old and New Testaments and that they are the sole, supreme, and all-sufficient authority in every matter of Christian faith and practice.
2. One living and only true God, subsisting in the Trinity of Three co-equal and co-eternal Persons - the Father, the Son, and the Holy Spirit; all infinite without beginning; the Father neither begotten nor proceeding; the Son eternally begotten of the Father; the Holy Spirit eternally proceeding from the Father and the Son.
3. The Deity, eternal Sonship, and spotless humanity of the Lord Jesus Christ; His virgin birth, crucifixion, death, and burial; His physical resurrection, and ascension into heaven.
4. The personal, eternal, and unconditional election of the Church in Christ unto everlasting salvation.
5. The Fall of mankind in Adam their federal head whose transgression is imputed to them, and from whom they derive a corrupt nature, thereby rendering them both unable and unwilling to meet the claims of God's righteous and holy law.
6. That though all men are rendered spiritually impotent by the Fall, they are none the less accountable to God for their sins, and they shall answer for the same in the day of judgement except they be granted repentance unto eternal life.
7. The special, particular, and eternal redemption from all sin, and the penal consequence thereof, of all God's elect, through the substitutionary sacrifice of the Lord Jesus Christ.
8. The eternal and everlasting justification through faith of the elect and redeemed Church, by the blood and imputed righteousness of Christ, irrespective of any moral or spiritual works done by them either before or after regeneration.
9. The effectual calling of all the redeemed by the invincible power and grace of the Holy Spirit, according to the counsel of God's will, involving their regeneration and sanctification by the direct agency of the Holy Spirit, through which the saints grow in grace perfecting holiness in the fear of the Lord.
10. The grace of faith whereby the elect are enabled to believe to the saving of their souls is the gift of God, and the work of the Holy Spirit in their hearts, Who convinces them of sin, works in them repentance unto life, and enables them to look to, receive, and rest upon the Lord Jesus Christ alone for salvation.
11. The final perseverance in the ways of God of all those who have been chosen by the Father, redeemed by the Son, and regenerated by the Holy Spirit, so that they shall never perish, but have eternal life.
12. The second coming of the Lord Jesus Christ, the resurrection of the dead, both of the just and the unjust, when the wicked will go away into everlasting punishment and the righteous into life eternal.
13. The duty and privilege of all true believers to profess their repentance towards God and faith in the Lord Jesus Christ, by being baptized, that is, immersed in water, in the name of the Father, and of the Son, and of the Holy Spirit, prior to becoming members of a Christian Church or partaking of the Lord's Supper.
14. The preaching of the Gospel to every creature as a divine command and solemn duty.
15. The necessity of a believer's life being consistent with the profession he makes.
16. The congregational order of the Churches.

GRACE BAPTIST TRUST CORPORATION

RULES

(EXTRACTED FROM THE ARTICLES OF ASSOCIATION)

- Every member of the Corporation shall be a member of one of the following classes, namely: -
 - (a) Ordinary Members. That is to say, members of a Particular Baptist Church practising strict communion, who subscribe to the said Doctrinal Basis and who pay to the Corporation an annual subscription to be fixed from time to time by the Council.
 - (b) Delegate Members. That is to say, members being delegates nominated by a Particular Baptist Church practising strict communion which adheres to the said Doctrinal Basis and makes an annual donation to the Corporation of not less than five pounds or of such other amounts as shall be fixed from time to time by the Council.
 - (c) Associate Members. That is to say, persons who satisfy the Council that they are in sympathy with the said Doctrinal Basis and with the objects of the Corporation. Each Associate Member shall pay the Corporation an annual subscription of an amount to be fixed from time to time by the Council. Associate membership does not carry the right to vote.
- The Corporation shall hold a General Meeting in every calendar year as its Annual General Meeting at such time and place as may be determined by the Council.
- The affairs of the Corporation shall be managed by a Council of Management.
- The members of the Council shall be elected at each Annual General Meeting from among the Ordinary Members and the Delegate Members of the Corporation, and every Church entitled to nominate a Delegate Member shall be entitled to nominate in writing a male member to be included in the list of persons to be submitted to the meeting for election.
- Immediately upon election, the Council shall proceed to elect from amongst their number a Chairman, a Deputy Chairman, and a Treasurer.
- At the Annual General Meeting in every year the Council shall lay before the Corporation a proper income and expenditure account for the period since the last preceding account (or in the case of the first account since the incorporation of the Corporation) made up to a date not more than four months before such meeting, together with a proper balance sheet made up as at the same date.

GRACE BAPTIST TRUST CORPORATION

WAYS WE CAN HELP YOU

We exist to serve the churches and we are able to do this in a number of ways, as outlined below. If you feel that we can help in any of the ways listed please contact the Chief Executive.

Grants and Loans

When redundant chapels are sold the money is invested and the investment income is available to make grants to other churches whose ministries are expanding and who need to redevelop their buildings. In some cases, the capital sum may be lent to churches, either as an interest-free loan or as an interest-bearing loan at a competitive rate of interest.

Professional Advice

The office staff are available to offer advice on many day-to-day matters associated with the administrative side of running a church. In addition, the Board of Directors comprise a group of men who are actively involved in the work and who are able to give preliminary guidance as to how a church should proceed in the light of a particular difficulty that may arise. We have expertise in various professional fields including accountancy, architecture, health and safety issues, investments, law, and surveying.

Trusteeship

The Corporation has been recognised as a Baptist Trust Corporation within the meaning of the Baptist and Congregational Trusts Act, 1951 and may be appointed a trustee of any Particular Baptist Church practising strict communion. Churches appointing the Corporation as a trustee will not in future be faced with the necessity of finding a lot of other trustees (sometimes as many as twelve or thirteen), even if the trust deed requires it. The Corporation is willing to act as trustee alongside local people or as Sole Trustee. In this way churches will no longer be faced with difficulties arising from the fact that widely scattered trustees are rarely able to meet; nor will problems arise if some of the trustees change their doctrinal position or refuse to act in a matter of importance. Furthermore, the difficulties that can arise when the last of the trustees has died or cannot be traced will not occur.

We have a programme for assisting churches of which the Corporation is a trustee by commissioning a survey of their premises and working with them to implement a structured programme of essential maintenance. In addition advice concerning church problems is often sought, but it should be made clear that the willingness of the Corporation to give advice is by no means limited to those churches of which it is a trustee. Any church may approach the Corporation knowing that its appeal will receive a sympathetic consideration.

Endowment Funds

We administer a number of endowment funds such as our Loan Fund, Ministers' Aid Fund, Benevolent Fund, the Pastors' Fund, and the B A Warburton Fund (which under the terms of the trust is available to assist men who, being members of our churches, are in training for the Ministry). We are always willing to accept trusteeship of other similar funds.

Tax-efficient Giving

We are able to help churches maximise their resources through our Gift Aid scheme, which is particularly helpful to churches that may not have in-house expertise or to individuals who wish to give anonymously. In addition, one gift to us can be distributed to various causes on behalf of the donor.

GRACE BAPTIST TRUST CORPORATION

WAYS YOU CAN HELP US

By giving

We exist to serve the churches and we make no charge for doing so (apart from specific services such as the Gift Aid scheme). However, serving others is a costly business; office rent has to be paid; the audit fee has to be paid; so do our staff! These costs are met out of the generous giving of the Lord's people and from our investment income, (although that is income that would otherwise be given to churches). You can help us by making personal donations to defray these expenses and by encouraging your church to do so as well.

By becoming a personal member

Annual subscriptions are:

Full Membership - £10.00 per annum. Associate Membership - £5.00 per annum.

Personal membership is a more committed way of supporting us in our ministry, but in addition it enables you to attend our Annual General Meeting and have a say in the way the Corporation is run. The membership form makes it clear what type of membership is applicable in your case. Be warned! If ever the Corporation were to close down with debts, personal members would be required to contribute £5 towards repaying them. However, we trust that by acting as good stewards of all that the Lord has entrusted to us, it will never happen.

By encouraging your church to become a subscribing church

Churches that make a gift to the funds of the Corporation in the course of a year are entitled to send Delegates to our Annual General Meeting. In this way the churches can become closely involved in the ongoing ministry of the Corporation.

By remembering us in your will.

The help of friends who have remembered the work in their wills has been a source of great encouragement over the years. A "Form of Bequest" is given below, which may be used in this connection.

"I give and bequeath to the Treasurer for the time being of the GRACE BAPTIST TRUST CORPORATION the sum of £_____ free of duties to be applied to the general purposes of the said Corporation, and I direct that the receipt of the said Treasurer shall be taken and deemed a sufficient discharge for the same."

By telling others about our work and encouraging them to support us.

You may have friends who are not familiar with the ministry of the Grace Baptist Trust Corporation. Tell them about the many services we offer and all the help and advice we can give.

By telling us about the needs of churches and individuals.

We administer a number of funds that are to be used for the benefit of others when they are in need. Sometimes we know about the need, and sometimes we do not. If you know of a church or church member who needs our help, and you feel it is appropriate to let us know, we would love to hear from you.