

# BEECHEN GROVE BAPTIST CHURCH TRUST

England & Wales · Charity number 1070890

## Details

**Status** Registered

**Legal form** Other

**Registered** 1998-08-06

**Register** [View on the Charity Commission register](#)

## Contact

**Address** Beechen Grove Baptist Church  
Clarendon Road  
Watford  
WD17 1JJ

**Phone** 01923237119

**Email** [secretary@bgbaptist.org.uk](mailto:secretary@bgbaptist.org.uk)

**Website** [www.bgbaptist.org.uk](http://www.bgbaptist.org.uk)

## Activities

**Objects:** TO FURTHER THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE BEECHEN GROVE CHURCH, INCLUDING THE MAINTENANCE AND REPAIR OF THE FABRIC OF THE CHURCH AND OTHER CHURCH PROPERTY

**Activities:** To further the religious and other charitable work of Beechen Grove Baptist Church, and the maintenance of the Grade 2 listed church building and other property.

## Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Overseas Aid/famine Relief, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

## Geography

- Hertfordshire

## Finances

| Period end | Income   | Expenditure | Assets | Employees |
|------------|----------|-------------|--------|-----------|
| 2025-03-31 | £242,681 | £219,983    | -      | -         |
| 2024-03-31 | £203,160 | £206,318    | -      | -         |
| 2023-03-31 | £205,833 | £166,567    | -      | -         |
| 2022-03-31 | £185,037 | £121,610    | -      | -         |
| 2021-03-31 | £87,753  | £129,389    | -      | -         |

## Trustees

| Name                       | Role | Appointed  |
|----------------------------|------|------------|
| Elizabeth Lindsay Mortimer |      | 2018-10-21 |
| Kelvin Adams               |      | 2020-03-01 |
| Komba Tondoneh             |      | 2017-07-01 |
| Marilyn Bengco             |      | 2020-11-22 |
| Marlene Fox                |      | 2024-01-21 |
| Paula Cox                  |      | 2016-10-01 |
| Prakash Krishnan Ganesan   |      | 2025-10-19 |
| Simon Heard                |      | 2022-07-08 |
| Vijayanandhini Sakthivel   |      | 2025-10-19 |

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# Accounts

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Charity registration number 1070890 (England and Wales)

**BEECHEN GROVE BAPTIST CHURCH TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

# BEECHEN GROVE BAPTIST CHURCH TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                                            |                                                                                                                      |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>                            | Mr K Tondoneh<br>Mrs P Cox<br>Mrs E Mortimer<br>Mr K Adams<br>Ms M Bengco<br>Rev'd S Heard<br>Ms M Fox               |
| <b>Trustees who hold a Deacon position</b> | Mr K Tondoneh<br>Mrs P Cox<br>Mr K Adams<br>Ms M Bengco<br>Ms M Fox                                                  |
| <b>Church Secretary</b>                    | Mrs E Mortimer                                                                                                       |
| <b>Minister</b>                            | Rev'd S Heard                                                                                                        |
| <b>Treasurer</b>                           | Mr K Adams                                                                                                           |
| <b>Charity number</b>                      | 1070890                                                                                                              |
| <b>Principal address</b>                   | Clarendon Road<br>Watford<br>Hertfordshire<br>WD17 1JJ                                                               |
| <b>Independent examiner</b>                | John Wilson FCA ATII<br>Howard Wilson Chartered Accountants<br>36 Crown Rise<br>Watford<br>Hertfordshire<br>WD25 0NE |
| <b>Bankers</b>                             | Barclays Bank Plc,<br>62/64 High Street<br>Watford<br>Hertfordshire<br>WD17 2BT                                      |

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# BEECHEN GROVE BAPTIST CHURCH TRUST

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# BEECHEN GROVE BAPTIST CHURCH TRUST

## CHAIR OF TRUSTEES STATEMENT

**FOR THE YEAR ENDED 31 MARCH 2025**

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I write to keep the congregation informed of an important matter concerning our church governance and to ask for your understanding as we move forward in obedience to God and in compliance with the Charity Commission.

What happened:

In the course of reviewing our financial procedures, our independent examiner identified that two of our trustees, Mr Komba Tondoneh and Mr Kelvin Adams, each received a loan of £2,000 from church funds. These loans were approved by the diaconate but were not presented for a vote in a church meeting. Giving out any monetary benefit, including loans to Trustees and their immediate family is contrary to Charity Commission regulations for charitable organisations.

Current status:

- Mr Tondoneh's loan has been repaid in full.
- Mr Adams's loan has been repaid in full.
- No interest was charged on either loan.

Actions taken:

- We have reported the breach to the Charity Commission as required and they have reminded us of our responsibilities and accountabilities as trustees.
- The Commission, together with our accountant, independent examiner, has advised us to implement new policies and provide governance training for trustees and deacons.
- Malcolm Broad MBE and former treasurer of the Baptist Union of Great Britain, our independent advisor, will deliver a training session in January. The Central Baptist Association Baptist Union has kindly offered to open this training to trustees from other churches in the Association, recognising that governance is an area where many churches need strengthening.

Why this matters:

Our desire is to honour God in all we do and to protect the church's integrity and reputation. By putting clear policies in place and ensuring all leaders are properly trained, we safeguard our members, our resources, and the witness of the gospel.

We sincerely apologise for any confusion or concern this incident may have caused. It was not intended to benefit anyone unfairly, and we are committed to learning from the oversight.

Thank you for your patience, prayers, and continued support as we seek to walk together in faithfulness and transparency.

May God bless our church and guide us in all truth.

In Christ,



Rev Simon Heard  
**Minister and Chair of Trustees**

Date: 9 January 2026

# BEECHEN GROVE BAPTIST CHURCH TRUST

## TRUSTEES' REPORT

***FOR THE YEAR ENDED 31 MARCH 2025***

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The Trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

### **Objectives and activities**

The Charity is governed by an Approved Governing Document which states that the principal purpose of the Charity is to further the religious and other charitable work of Beechen Grove Baptist Church and the maintenance and repair of the fabric of the listed Church building and other Church property.

The Church occupies premises which are held by the Baptist Union Corporation Ltd on Trusts which are entirely compatible with the above object.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In order to achieve the principal objective which is set out above, the Church provides a variety of activities to both its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people to a closer relationship with Him as a living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These take place each Sunday at 10.30 a.m. There are also occasional services at other times which are advertised on the church notice board, the local media and the website at [bgbaptist.org.uk](http://bgbaptist.org.uk). There is also a children's programme during the morning service. The Church seeks to be a friendly and welcoming community and anyone is free to attend any of these services.

The church no longer holds a prayer meeting as such. However, a lifegroup is held each Monday morning in the Oasis which includes prayer. A second lifegroup takes place within a member's home on Thursday evenings which, again, includes prayer. A Book Club is held on Tuesday mornings. (And plans are underway to begin a Coffee Morning open to the community.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to Disclosure and Barring.

The Church has read the Charity Commission guidance on public benefit and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2025***

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### **Achievements and performance**

We are blessed to have an increasing number of people now attending our church and membership is growing.

Live streaming of our Sunday morning services continues and the sermon can be found on YouTube (and other platforms) for later viewing.

A seaside day out to Clacton was enjoyed by the church in August, with the hiring of a coach seating as many as wanted to go, plus family members.

The church held its yearly Remembrance Day (Sunday) service with participation from the local Scouts group, along with cubs and beavers. And also held a Harvest Festival Sunday.

The church has continued its outreach within the town centre. A choir came together at Christmas time and sang within Charter Place during 2 afternoons and also sang inside the YMCA.

Members of the church handed out leaflets and tracts in the High Street.

The church maintains its connection with the World Day of Prayer (previously the Womens' World Day of Prayer).

We had a Christmas nativity play performed by the Sunday School children, alongside some adults. Also that the Sunday School has seen an increase in the number of children attending (although more recently this has begun to drop off).

As part of our ministry to and within the local community, we offer the use of our premises for reasonable fees to a variety of religious, community, educational, cultural and social groups. Many of the groups have been long-term users and have expressed satisfaction at the facilities provided.

The Church employs a full time, salaried Manager of House and Community who liaises with the Trustees and every user group and ensures that the facilities are well maintained and conform to public building regulations. A church member serves as a Watford Town Centre Chaplaincy chaplain to the staff at the Watford Borough Council offices.

We have been challenged by Jesus' words: "Seek first the Kingdom of God." Though we yearn to see our Baptist church grow, we also yearn to be facilitators for the growth of God's influence in our town. Recognising the great ethnic diversity in Watford, we have allowed four other independent Christian congregations to use our church halls on Sundays, and several others for their mid-week prayer services, so that now there are services in English, Portuguese, Romanian, Twi (a dialect spoken in Ghana and neighbouring countries), and a service with a very distinctive West Indies flavour every single Sunday. So, our church is moving in the direction of "becoming a house of prayer for all peoples."

We seek to work and pray with ever greater unity with the other Christian churches in Watford, through such venues as Churches Together and Christians Across Watford.

Our endeavour to work with other Christians extends beyond the immediate Watford area. Our outreach beyond our shores to show Christian love and compassion has been channelled through such agencies as the BMS World Mission, Christian Aid, the Shoe Box Appeal, and Operation Agri, among other outlets.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

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### Financial review

The Church continues to raise the funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year.

The Church expressed its part in the life of the wider church by making donations to local, national and international Christian organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The financial results for the year, together with a summary of accounting policies adopted are set out in the accompanying financial statements.

The Statement of Financial Affairs shows the income and day to day running costs of the church. This account shows a surplus of £20,756 (2024: deficit £5,279).

The Balance Sheet shows the total resources of the church less our liabilities at the end of the financial year. This also includes an Endowment Fund of £12,500, which is the permanent endowment of the original Sutton Schools legacy. At the year end unrestricted funds were £206,406 (2024: £184,850).

The Trustees have made an assessment of the major risks facing the church and are satisfied that there are policies in place to minimize them.

The reserves policy of Beechen Grove Baptist Church is to hold three months of all expenditure plus a further three months staff costs to allow the church to adapt to any changes in the income or expenditure of the church. The trustees currently believe this amount to be £50,000. This policy will be reviewed annually.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees have reviewed the principal risks to which the church is exposed, and have identified appropriate mitigating measures.

The greatest risk facing the church is that the over reliance on key individuals, Lack of personnel to fill vacant roles, Rough Sleepers, maintaining the building on a regular basis and the general security of the building as the Church is heavily used on a daily basis.

The trustees have implemented strategies which include encouraging people to be involved in various activities in the church which involves delegating roles.

We are currently in the process of changing all our outdated electrical circuits to prevent any future blowouts.

We are also in the process of upgrading our CCTV systems to ensure security around the building due to the location of the building. Also laminated doors are going to be installed to prevent rough sleepers from using our porches as a haven for drugs.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

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### **Structure, governance and management**

The charity is governed by a Scheme of the Charity Commissioners dated 11 May 1998.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr K Tondoneh  
Mrs P Cox  
Mrs E Mortimer  
Mr K Adams  
Ms M Bengco  
Rev'd S Heard  
Ms M Fox

Members of the Church are accepted in accordance with the Constitution which requires them to be or to have been publicly baptised on the profession of faith in Jesus Christ or be accepted for full membership based on their own public profession of faith.

The normal Church Member's Meetings take place five times per year including the Annual General Meeting in October. These Member's Meetings have responsibility for the overall policy of the Church. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

The appointment of the Secretary and Treasurer are made annually.

The Trustees together with the Minister, Church Secretary and Treasurer (who are also appointed by the members), collectively known as the Diaconate, are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. The election of Trustees, Secretary and Treasurer takes place at the Annual Church Meeting.

Relevant matters may be submitted to the Church Members' Meeting by the Trustees for guidance, or may be raised by members in the Church Meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church Members' Meetings by appropriate majorities, the Church Members seek to work by consensus wherever possible.

The Trustees' report was approved by the Board of Trustees.



**Mr K Adams**

Trustee

Dated: 9 January 2026

# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2025***

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Trustees are required to:

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

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

# BEECHEN GROVE BAPTIST CHURCH TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF BEECHEN GROVE BAPTIST CHURCH TRUST

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I report to the Trustees on my examination of the financial statements of Beechen Grove Baptist Church Trust (the charity) for the year ended 31 March 2025.

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

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

#### **Independent examiner's statement - matter of concern identified**

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn. I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

I have completed my examination. I have identified a matter in relation to payments made to Trustees which are outside of that permitted by the Charity's Governing Document.

During the course of our examination work, it came to our attention that there were payments made to Trustees which were not in compliance with the Charity's Governing Document. These transactions have been disclosed in the Notes to the Financial Statements under Related Party Transactions. The Governing Document does not allow for payments to be made to any Trustee, with the exception of payments to the Minister in relation to their employment and for the general reimbursement of expenses.

The transactions that caused concern related to the provision of short-term financial support to two Trustees. One payment has been repaid to the charity in full since the year end. An agreement was put in place to ensure that the second payment is reimbursed in full before 31 December 2025. The second payment has subsequently been reimbursed in full.

I am satisfied that there has been no financial loss to the Charity and that subsequent to being made aware of the concern appropriate action has been undertaken by the Charity and its Trustees to rectify the situation.

The Charity has made the appropriate disclosure to Charity Commission, who have provided a response which has closed the matter with no further action.

I confirm that apart from the matter of concern set out above, no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the Charities Act 2011.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## INDEPENDENT EXAMINER'S REPORT (CONTINUED)

### TO THE TRUSTEES OF BEECHEN GROVE BAPTIST CHURCH TRUST

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I confirm that there are no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

*John Wilson*

**John Wilson FCA ATII**

Howard Wilson Chartered Accountants

36 Crown Rise

Watford

Hertfordshire

WD25 0NE

9 January 2026

# BEECHEN GROVE BAPTIST CHURCH TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2025**

|                                                       |       | Unrestricted funds | Endowment funds | Total   | Unrestricted funds | Endowment funds | Total   |
|-------------------------------------------------------|-------|--------------------|-----------------|---------|--------------------|-----------------|---------|
|                                                       | Notes | 2025               | 2025            | 2025    | 2024               | 2024            | 2024    |
|                                                       |       | £                  | £               | £       | £                  | £               | £       |
| <b>Income and endowments from:</b>                    |       |                    |                 |         |                    |                 |         |
| Donations and legacies                                | 3     | 28,598             | -               | 28,598  | 30,933             | -               | 30,933  |
| Charitable activities                                 | 4     | 211,775            | -               | 211,775 | 166,915            | -               | 166,915 |
| Investments                                           | 5     | 2,308              | -               | 2,308   | 4,477              | -               | 4,477   |
| Other income                                          | 6     | -                  | -               | -       | 35                 | -               | 35      |
| <b>Total income</b>                                   |       | 242,681            | -               | 242,681 | 202,360            | -               | 202,360 |
| <b>Expenditure on:</b>                                |       |                    |                 |         |                    |                 |         |
| Charitable activities                                 | 7     | 219,983            | -               | 219,983 | 206,318            | -               | 206,318 |
| <b>Total expenditure</b>                              |       | 219,983            | -               | 219,983 | 206,318            | -               | 206,318 |
| Net gains/(losses) on investments                     | 12    | (1,942)            | -               | (1,942) | (1,321)            | -               | (1,321) |
| <b>Net income/(expenditure) and movement in funds</b> |       | 20,756             | -               | 20,756  | (5,279)            | -               | (5,279) |
| <b>Reconciliation of funds:</b>                       |       |                    |                 |         |                    |                 |         |
| Fund balances at 1 April 2024                         |       | 184,850            | 12,500          | 197,350 | 190,129            | 12,500          | 202,629 |
| <b>Fund balances at 31 March 2025</b>                 |       | 205,606            | 12,500          | 218,106 | 184,850            | 12,500          | 197,350 |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## BALANCE SHEET

AS AT 31 MARCH 2025

|                                                       | Notes | 2025<br>£      | £              | 2024<br>£      | £              |
|-------------------------------------------------------|-------|----------------|----------------|----------------|----------------|
| <b>Fixed assets</b>                                   |       |                |                |                |                |
| Investments                                           | 15    |                | 85,019         |                | 86,961         |
| <b>Current assets</b>                                 |       |                |                |                |                |
| Debtors                                               | 16    | 28,721         |                | 32,906         |                |
| Cash at bank and in hand                              |       | 105,388        |                | 82,320         |                |
|                                                       |       | <u>134,109</u> |                | <u>115,226</u> |                |
| <b>Creditors: amounts falling due within one year</b> | 17    | <u>(1,022)</u> |                | <u>(4,837)</u> |                |
| <b>Net current assets</b>                             |       |                | 133,087        |                | 110,389        |
| <b>Total assets less current liabilities</b>          |       |                | <u>218,106</u> |                | <u>197,350</u> |
| <b>The funds of the charity</b>                       |       |                |                |                |                |
| Endowment funds                                       | 19    |                | 12,500         |                | 12,500         |
| Unrestricted funds                                    |       |                | 205,606        |                | 184,850        |
|                                                       |       |                | <u>218,106</u> |                | <u>197,350</u> |

The financial statements were approved by the Trustees on 9 January 2026



Mr K Adams  
Trustee



Rev'd S Heard  
Trustee

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 1 Accounting policies

##### Charity information

Beechen Grove Baptist Church Trust is an unincorporated charity.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investments and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

##### 1.5 Expenditure

The Church makes grants to other organisations whose charitable objectives complement its work. They are accounted for in the year in which they were paid.

##### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies

(Continued)

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Fund Raising

The church does not make formal appeals for funds and expenditure on these items are therefore not considered material.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 1 Accounting policies

(Continued)

#### 1.12 Fixed Assets

The Trustee of the Church land and premises is The Baptist Union Corporation Limited, which holds the freehold deeds on behalf of the Trust. The original cost of the land and buildings is unknown, and there are insufficient details of its current value. The insurance valuations are detailed in the notes to the accounts.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Income from donations and legacies

|                     | Unrestricted<br>funds<br>2025<br>£ | Unrestricted<br>funds<br>2024<br>£ |
|---------------------|------------------------------------|------------------------------------|
| Donations and gifts | 13,727                             | 13,719                             |
| Envelope Scheme     | 2,841                              | 1,495                              |
| Other offerings     | 6,488                              | 9,601                              |
| Income tax refund   | 5,542                              | 6,118                              |
|                     | <u>28,598</u>                      | <u>30,933</u>                      |

### 4 Income from charitable activities

|                                   | Unrestricted<br>funds<br>2025<br>£ | Unrestricted<br>funds<br>2024<br>£ |
|-----------------------------------|------------------------------------|------------------------------------|
| <b>Ancillary income</b>           |                                    |                                    |
| Contributions for use of premises | <u>211,775</u>                     | <u>166,915</u>                     |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 5 Income from investments

|              | Unrestricted<br>funds<br>2025<br>£ | Unrestricted<br>funds<br>2024<br>£ |
|--------------|------------------------------------|------------------------------------|
| Other income | 2,308                              | 4,477                              |

### 6 Other income

|              | Unrestricted<br>funds<br>2025<br>£ | Unrestricted<br>funds<br>2024<br>£ |
|--------------|------------------------------------|------------------------------------|
| Other income | -                                  | 35                                 |

### 7 Expenditure on charitable activities

|                                          | 2025<br>£ | 2024<br>£ |
|------------------------------------------|-----------|-----------|
| <b>Direct costs</b>                      |           |           |
| Staff costs                              | 76,100    | 65,543    |
| Administration                           | 4,117     | 3,680     |
| Insurance                                | 11,874    | 11,466    |
| Premises costs                           | 84,710    | 85,496    |
| Manse expenses                           | 17,514    | 12,793    |
| Pastoral care                            | 5,356     | 5,122     |
| Resources                                | 3,341     | 2,305     |
| Telephone                                | 1,216     | 1,249     |
| Legal and professional costs             | 490       | 455       |
| Sundry expenses                          | 9,573     | 9,752     |
| Bank charges                             | 32        | 32        |
| Governance costs                         | 1,110     | 1,080     |
|                                          | 215,433   | 198,973   |
| Grant funding of activities (see note 8) | 4,550     | 7,345     |
|                                          | 219,983   | 206,318   |
| <b>Analysis by fund</b>                  |           |           |
| Unrestricted funds                       | 219,983   | 206,318   |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 8 Grants payable

|                                           | 2025<br>£    | 2024<br>£    |
|-------------------------------------------|--------------|--------------|
| Grants to institutions:                   |              |              |
| BMS World Mission                         | 1,200        | 1,200        |
| CBA (Baptist Union Home Mission)          | 1,200        | 1,200        |
| BMS (Baptist Missionary Society) - Turkey | -            | 1,000        |
| Other                                     | 2,150        | 3,945        |
|                                           | <u>4,550</u> | <u>7,345</u> |

-

### 9 Net movement in funds

|                                                                                    | 2025<br>£    | 2024<br>£    |
|------------------------------------------------------------------------------------|--------------|--------------|
| The net movement in funds is stated after charging/(crediting):                    |              |              |
| Fees payable for the independent examination of the charity's financial statements | <u>1,110</u> | <u>1,080</u> |

### 10 Trustees

Other than mentioned below, none of the other Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

The charity has the power under its articles to employ a trustee to provide necessary services to the charity, with appropriate safeguards to avoid conflicts of interest.

During the year, Rev Simon Heard, who was a member of the Trustee body of the charity was employed as Minister of Beechen Grove Baptist Church. During the year he received remuneration of £33,303 and employer pension contributions of £4,374.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 11 Employees

#### Number of employees

The average monthly number of employees during the year was:

|                                   | 2025<br>Number | 2024<br>Number |
|-----------------------------------|----------------|----------------|
| Pastoral Care (Minister)          | 1              | 1              |
| Management of House and Community | 2              | 2              |
|                                   | <u>3</u>       | <u>3</u>       |

#### Employment costs

|                       | 2025<br>£     | 2024<br>£     |
|-----------------------|---------------|---------------|
| Wages and salaries    | 68,175        | 60,436        |
| Social security costs | 1,681         | 614           |
| Other pension costs   | 6,244         | 4,493         |
|                       | <u>76,100</u> | <u>65,543</u> |

During the year, an amount was paid in relation to Pastoral Care (Minister) by way of a Stipend of £33,303 (2024: £30,241)

There were no employees whose annual remuneration was £60,000 or more.

### 12 Gains and losses on investments

|                            | Unrestricted<br>funds<br>2025<br>£ | Unrestricted<br>funds<br>2024<br>£ |
|----------------------------|------------------------------------|------------------------------------|
| Gains/(losses) arising on: |                                    |                                    |
| Revaluation of investments | <u>(1,942)</u>                     | <u>(1,321)</u>                     |

### 13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 14 Tangible fixed assets

The Church is the beneficial owner (subject to the relevant trusts) of the land and premises it occupies, the legal title to the church premises and the manse being held by the church's custodian trustee, The Baptist Union Corporation Limited.

No meaningful value/original cost is available for the areas occupied and so it has not been included in the Balance Sheet.

The insurance values (as at November 2024) total £15,254,232. These were split accordingly:

|                 |             |
|-----------------|-------------|
| Church Premises | £14,435,399 |
| Manse           | £818,833    |

### 15 Fixed asset investments

|                          | Listed<br>investments<br>£ |
|--------------------------|----------------------------|
| <b>Cost or valuation</b> |                            |
| At 1 April 2024          | 86,961                     |
| Valuation changes        | (1,942)                    |
| At 31 March 2025         | 85,019                     |
| <b>Carrying amount</b>   |                            |
| At 31 March 2025         | 85,019                     |
| At 31 March 2024         | 86,961                     |

### 16 Debtors

|                                             | 2025<br>£ | 2024<br>£ |
|---------------------------------------------|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 20,259    | 19,164    |
| Other debtors                               | 8,462     | 13,742    |
|                                             | 28,721    | 32,906    |

### 17 Creditors: amounts falling due within one year

|                              | 2025<br>£ | 2024<br>£ |
|------------------------------|-----------|-----------|
| Other creditors              | 22        | 3,837     |
| Accruals and deferred income | 1,000     | 1,000     |
|                              | 1,022     | 4,837     |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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### 18 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £6,244 (2024 - £4,493).

#### Defined benefit schemes

Where a church is an employer in a multi-employer defined benefit scheme such as The Baptist Pension Scheme and where they have agreed a deficit contribution funding plan, this liability is to be recognised on the balance sheet.

The value of the liability should be the total all the future contributions to be made, discounted to present value using a discount rate equal to the yield on investment grade corporate bonds. At the end of June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ('Just') to secure members' pension benefits under the Defined Benefit ('DB') Plan. As a result, the Scheme no longer has a shortfall.

A revised statement of contributions was approved with deficit contributions from each participating employer in the DB Plan reducing to just £1 per month from August 2022. These ceased in November 2024, in line with moving to Just Group. See [www.baptist.org.uk/pensions](http://www.baptist.org.uk/pensions) for more details. Updated text to reflect this change has been included in the template for receipt and payment accounts which can also be found on our website.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 18 Retirement benefit schemes

(Continued)

As there is a large number of contributing employers participating in the Scheme, the church is unable to identify its share of the underlying assets and liabilities of the Scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable.

#### £33m additional cash contributions from BUGB

BUGB made a contributions of £33m in December 2018 on behalf of the Baptist family in order to reduce the current deficit.

#### No change to the current employer deficit contributions

The large additional contributions from BUGB mean that the Scheme employers will see no increase in the deficit contributions under the new recovery plan. Deficit contributions for churches and other employers will not increase, other than to reflect any annual changes in the Minimum Pensionable Income.

The length of time for which deficit contributions must be paid, is reduced by 2½ years with contributions now due to finish in June 2026 rather than December 2028 .

#### Amendments to Scheme member benefits

At the request of the Employers Group, as part of the overall Family Solution, the Pension Trustee has agreed that from January 2019 onwards, the annual increase to pensions in payment will use the Consumer Price Index (CPI) as the measure of inflation, rather than the Retail Price Index (RPI). This change is permitted within the scheme rules. RPI is now generally accepted as a flawed measure that typically overstates inflation, whereas CPI is calculated to an internationally recognised standard. Because CPI is typically lower than RPI, this change reduces the scheme deficit, by reducing the annual inflation increase paid to Scheme beneficiaries.

To partly offset the impact on scheme beneficiaries of the change from RPI to CPI, a number of other amendments to the scheme benefits have been agreed:

- an increase to that part of any pension in payment which was earned on service before 6th April 2006, of up to 1% in addition to CPI for each of the next 3 years, provided that CPI is less than RPI, and subject to the overall annual cap of 5% on increases contained within the scheme rules.
- an increase to the cap on annual increases for that part of any pension in payment which was earned on service on or after 6th April 2006, from 2.5% to 5% (this mirrors the cap on increases to pre 6th April 2006 pensions).
- the manse allowance (which has been frozen for a number of years) will increase in line with CPI inflation, benefitting active scheme members
- Deferred pensions will continue to rise in line with RPI (subject to the statutory 5% pa cumulative cap) as this is mandated by the scheme rules.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 18 Retirement benefit schemes

(Continued)

#### Changes since the last valuation

The formal actuarial valuation of the Defined Benefit Section of the Baptist Pension Scheme as at 31 December 2019 has been completed. This was following discussions between the Scheme Trustee and representatives of the Baptist Pension Scheme Employers' Group. The main outcomes of the valuation are:

- The deficit in the scheme has reduced to £18m from £93m at the previous valuation. The estimated deficit at 30 June 2022 is £10m.

- There will be no increase in employers' deficit recovery contributions (other than the annual uplift for inflation);

- The expectation for when deficit recovery contributions might cease is brought forward by two and a half years to June 2026; and

A temporary reduction of 50% to the deficit recovery contributions will be put in place for the second half of 2020 to alleviate some of the additional financial pressure on employers during the Coronavirus pandemic.

#### Movements in the deficit in 2020

There are two substantial developments coming into play since December 2019 that have an impact on DB Plan funding:

1. Although mitigated to some extent by the Trustee's relatively low-risk investment strategy, the Coronavirus pandemic has impacted financial markets and led to a reduction in the value of some DB Plan investments.

2. The Government is currently consulting on how and when to change how the Retail Prices Index (RPI) is calculated to bring it more into line with the, generally lower, Consumer Prices Index (CPI). We anticipate that this change will lead to a lower value for some of the RPI-linked assets held by the DB Plan. This impact is partially offset by an assumed reduction in the cost of providing deferred benefits which are revalued up to retirement in line with RPI.

The DB Plan's actual financial position moves daily with changes in financial market conditions. However, in the agreed deficit recovery contributions we have made an allowance for a £10m deterioration in the deficit since 31 December 2019 to take account of the current impact of the two items above.

#### Financial pressures on employers

BUGB recognised very early that some churches and employers would suffer significant financial loss because of being unable to meet or to rent out their premises during the Coronavirus lockdown. BPS circulated a survey to all employers in April to ascertain how extensive this was. Although the proportion of employers expecting to struggle over the short term was fairly low, BUGB and the Employers' Group were eager to offer some reduction since the effects are continuing.

We are not able to treat individual employers differently depending on their circumstances, so we have had to balance both the immediate needs of those churches under financial pressure and the longer term need to fully fund the DB Plan. We believe a 50% reduction for the six months from July to December 2020 achieves this balance.

The reduction will happen automatically, you do not need to take any action. Deficit recovery contributions from January 2021 will then return to the full level, including the normal inflationary increase for 2021. Please note that your contributions to the DC Plan for any ongoing members of BPS will continue at their full rate. This reduction only applies to the DB Plan deficit recovery contributions.

At the end of June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ('Just') to secure members' pension benefits under the Defined Benefit ('DB') Plan. As a result, the Scheme no longer has a shortfall. A revised statement of contributions was approved with deficit contributions from each participating employer in the DB Plan reducing to just £1 per month from August 2022. These ceased in November 2024, in line with moving to Just Group.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 19 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

|                             | At 1 April<br>2024<br>£          | At 31 March<br>2025<br>£          |
|-----------------------------|----------------------------------|-----------------------------------|
| <b>Permanent endowments</b> |                                  |                                   |
| Sutton Road Fund            | 12,500                           | 12,500                            |
|                             | <u>12,500</u>                    | <u>12,500</u>                     |
| <b>Previous year:</b>       | <b>At 1 April<br/>2023<br/>£</b> | <b>At 31 March<br/>2024<br/>£</b> |
| <b>Permanent endowments</b> |                                  |                                   |
|                             | 12,500                           | 12,500                            |
|                             | <u>12,500</u>                    | <u>12,500</u>                     |

The endowment fund comprises funds relating to the former Sutton Road School. The land was conveyed to former Trustees for use as a school and for the the promotion of such religious, philanthropic or other purposes as the Minister and Deacons (Trustees) for the time being of Beechen Grove Baptist Chapel (now Beechen Grove Baptist Church) should from time to time direct. During the 1960s, the Trustees at the time directed that the school building was to be sold. Under the terms of the deeds the capital was to remain a permanent endowment, but the Trustees can use the interest on that capital for philanthropic or other purposes. The Sutton Road Fund was administered as a separate charity. In 1997, the Trustees at the time directed that the Sutton Road Fund and two other small charities were to be combined into the present registered charity. The amalgamation of these charities was completed in 1998. This amount is invested in Charinco Common Investment Fund. The permanent endowment of £12,500 is invested in Charinco. In common with most endowment funds, the charity is only able to use the interest earned, leaving the capital element untouched. Special application would have to be made before the capital could be released.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 20 Analysis of net assets between funds

|                                                    | Unrestricted<br>Funds<br>£ | Endowment<br>Fund<br>£ | Total<br>£     |
|----------------------------------------------------|----------------------------|------------------------|----------------|
| Fund balances at 31 March 2025 are represented by: |                            |                        |                |
| Investments                                        | 85,019                     | -                      | 85,019         |
| Current assets/(liabilities)                       | 120,587                    | 12,500                 | 133,087        |
|                                                    | <u>205,606</u>             | <u>12,500</u>          | <u>218,106</u> |

|                                                    | Unrestricted<br>Funds<br>£ | Endowment<br>Fund<br>£ | Total<br>£     |
|----------------------------------------------------|----------------------------|------------------------|----------------|
| Fund balances at 31 March 2024 are represented by: |                            |                        |                |
| Investments                                        | 88,517                     | -                      | 88,517         |
| Current assets/(liabilities)                       | 19,154                     | 12,500                 | 31,654         |
|                                                    | <u>107,671</u>             | <u>12,500</u>          | <u>120,171</u> |

### 21 Related party transactions

The custodian Trustee of the church is the Baptist Union Corporation Limited (Charity No. 249635), which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the Central Baptist Association.

The church made a grant to the Baptist Union Home Mission Scheme as set out in note 8.

The Church had the following amounts outstanding on loans to trustees:

Mr K Adams     £1,600    (2024 - £2,000)  
Mr K Tondoneh   £0        (2024 - £1,200)  
Mrs E Tondoneh   £390     (2024 - £0)

During the year, an amount of £590 was paid on behalf of Mrs E Tondoneh (spouse of Trustee Mr K Tondoneh) to a third party. £200 on this amount has been paid during the year with the remaining balance outstanding at the year end.

# Beechen Grove Baptist Church Accounts 2025

Final Audit Report

2026-01-21

|                 |                                              |
|-----------------|----------------------------------------------|
| Created:        | 2026-01-09                                   |
| By:             | John Wilson (campbell@howardwilson.co.uk)    |
| Status:         | Signed                                       |
| Transaction ID: | CBJCHBCAABAAI5yMfYzoKIVgCL1SekpOSd-2C1Tc20h_ |

## "Beechen Grove Baptist Church Accounts 2025" History

-  Document created by Campbell Wilson (campbell@howardwilson.co.uk)  
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2026-01-21 - 5:08:19 PM GMT- IP address: 157.125.232.90

 Document e-signed by John Wilson (campbell@howardwilson.co.uk)

Signature Date: 2026-01-21 - 5:08:21 PM GMT - Time Source: server- IP address: 157.125.232.90

 Agreement completed.

2026-01-21 - 5:08:21 PM GMT



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**BEECHEN GROVE BAPTIST CHURCH TRUST**

England & Wales - Charity number 1070890

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# Accounts

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**BEECHEN GROVE BAPTIST CHURCH TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

# BEECHEN GROVE BAPTIST CHURCH TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                             |                                                                                                                                                  |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>             | Mr K Tondoneh *<br>Mrs P Cox *<br>Mrs E Mortimer<br>Mr K Adams *<br>Ms M Bengco *<br>Rev'd S Heard<br>Ms M Fox *<br>* holds Deacon position also |
| <b>Church Secretary</b>     | Mrs E Mortimer                                                                                                                                   |
| <b>Minister</b>             | Rev'd S Heard                                                                                                                                    |
| <b>Treasurer</b>            | Mr K Adams                                                                                                                                       |
| <b>Charity number</b>       | 1070890                                                                                                                                          |
| <b>Principal address</b>    | Clarendon Road<br>Watford<br>Hertfordshire<br>WD17 1JJ                                                                                           |
| <b>Independent examiner</b> | John Wilson FCAATII<br>Howard Wilson Chartered Accountants<br>36 Crown Rise<br>Watford<br>Hertfordshire<br>WD25 0NE                              |
| <b>Bankers</b>              | Barclays Bank Plc,<br>62/64 High Street<br>Watford<br>Hertfordshire<br>WD17 2BT                                                                  |

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# BEECHEN GROVE BAPTIST CHURCH TRUST

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| Statement of financial activities       | 6           |
| Balance sheet                           | 7           |
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# BEECHEN GROVE BAPTIST CHURCH TRUST

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 MARCH 2024*

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The Trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The Charity is governed by an Approved Governing Document which states that the principal purpose of the Charity is to further the religious and other charitable work of Beechen Grove Baptist Church and the maintenance and repair of the fabric of the listed Church building and other Church property.

The Church occupies premises which are held by the Baptist Union Corporation Ltd on Trusts which are entirely compatible with the above object.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In order to achieve the principal objective which is set out above, the Church provides a variety of activities to both its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people to a closer relationship with Him as a living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These take place each Sunday at 10.30 a.m. There are also occasional services at other times which are advertised on the church notice board, the local media and the website at [bgbaptist.org.uk](http://bgbaptist.org.uk). There is also a children's programme during the morning service. The Church seeks to be a friendly and welcoming community and anyone is free to attend any of these services.

The Church holds a weekly prayer meeting, details of which can be obtained at the Sunday services of worship and a bible or book study is also arranged.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to Disclosure and Barring.

The Church has read the Charity Commission guidance on public benefit and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

#### **Achievements and performance**

The Church does not measure success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship and encouragement. The Trustees, however, do recognise that these are difficult to measure.

While the number in our Sunday morning services seems to remain rather the same, with the increase in new members offset by the few deaths of ageing members and some young couples moving out of Watford seeking a better buy in order to purchase their first house. We are maintaining and improving our worship ministry via live-streaming of services as well as on YouTube for later viewing, and we hope to reach as wide an audience as possible. On 24 September 2022 we were delighted to hold an induction service for our new pastor, Rev Simon Heard, after a period of 15 months without a minister due to the previous minister's retirement.

We do have a sense of "mission" to our immediate geographical community – to show our love and interest in them. The Explorer Scouts joined our Remembrance Sunday service on 10 November, 2023. We also hosted a Churches Together 'At Home' Service on 21 February. Furthermore we also hosted a Christians Across Watford (CAW) Breakfast on 16 March 2024.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

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As part of our ministry to and within the local community, we offer the use of our premises for reasonable fees to a variety of religious, community, educational, cultural and social groups. Many of the groups have been long-term users and have expressed satisfaction at the facilities provided.

The Church employs a full time, salaried Manager of House and Community who liaises with the Trustees and every user group and ensures that the facilities are well maintained and conform to public building regulations. A church member serves as a Watford Town Centre Chaplaincy chaplain to the staff at the Watford Borough Council offices.

We have been challenged by Jesus' words: "Seek first the Kingdom of God." Though we yearn to see our Baptist church grow, we also yearn to be facilitators for the growth of God's influence in our town. Recognising the great ethnic diversity in Watford, we have allowed four other independent Christian congregations to use our church halls on Sundays, and several others for their mid-week prayer services, so that now there are services in English, Portuguese, Romanian, Twi (a dialect spoken in Ghana and neighbouring countries), and a service with a very distinctive West Indies flavour every single Sunday. So, our church is moving in the direction of "becoming a house of prayer for all peoples."

We seek to work and pray with ever greater unity with the other Christian churches in Watford, through such venues as Churches Together and Christians Across Watford.

Our endeavour to work with other Christians extends beyond the immediate Watford area. Our outreach beyond our shores to show Christian love and compassion has been channelled through such agencies as the BMS World Mission, Christian Aid, the Shoe Box Appeal, and Operation Agri, among other outlets.

The pandemic lockdowns had a big impact on income as approximately 75% comes from bookings of the sanctuary and meeting rooms. Since then, bookings have increased and our income has risen back to the previous level.

#### **Financial review**

The Church continues to raise the funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year.

The Church expressed its part in the life of the wider church by making donations to local, national and international Christian organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The financial results for the year, together with a summary of accounting policies adopted are set out in the accompanying financial statements.

The Statement of Financial Affairs shows the income and day to day running costs of the church. This account shows a deficit of £4,479 (2023: surplus £18,889).

The Balance Sheet shows the total resources of the church less our liabilities at the end of the financial year. This also includes an Endowment Fund of £12,500, which is the permanent endowment of the original Sutton Schools legacy. At the year end unrestricted funds were £185,650 (2023: £190,129).

The Trustees have made an assessment of the major risks facing the church and are satisfied that there are policies in place to minimize them.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

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### Structure, governance and management

The charity is governed by a Scheme of the Charity Commissioners dated 11 May 1998.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr K Tondoneh \*

Mrs P Cox \*

Mrs E Mortimer

Mr K Adams \*

Ms M Bengco \*

Rev'd S Heard

Ms M Fox \*

(Appointed 21 January 2024)

Members of the Church are accepted in accordance with the Constitution which requires them to be or to have been publicly baptised on the profession of faith in Jesus Christ or be accepted for full membership based on their own public profession of faith.

The normal Church Member's Meetings take place five times per year including the Annual General Meeting in October. These Member's Meetings have responsibility for the overall policy of the Church. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

The appointment of the Secretary and Treasurer are made annually.

The Trustees together with the Minister, Church Secretary and Treasurer (who are also appointed by the members), collectively known as the Diaconate, are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. The election of Trustees, Secretary and Treasurer takes place at the Annual Church Meeting.

Relevant matters may be submitted to the Church Members' Meeting by the Trustees for guidance, or may be raised by members in the Church Meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church Members' Meetings by appropriate majorities, the Church Members seek to work by consensus wherever possible.

The Trustees' report was approved by the Board of Trustees.



**Mr K Adams \***

Trustee

Dated: 20 October 2024

# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2024***

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Trustees are required to:

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

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

# BEECHEN GROVE BAPTIST CHURCH TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF BEECHEN GROVE BAPTIST CHURCH TRUST

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I report to the Trustees on my examination of the financial statements of Beechen Grove Baptist Church Trust (the charity) for the year ended 31 March 2024.

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

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

*Campbell Wilson*

#### **John Wilson FCA ATII**

Howard Wilson Chartered Accountants  
36 Crown Rise  
Watford  
Hertfordshire  
WD25 0NE

Dated: 20 October 2024

# BEECHEN GROVE BAPTIST CHURCH TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2024**

|                                                       |       | Unrestricted funds | Endowment funds | Total          | Unrestricted funds | Endowment funds | Total           |
|-------------------------------------------------------|-------|--------------------|-----------------|----------------|--------------------|-----------------|-----------------|
|                                                       |       | 2024               | 2024            | 2024           | 2023               | 2023            | 2023            |
|                                                       | Notes | £                  | £               | £              | £                  | £               | £               |
| <b>Income and endowments from:</b>                    |       |                    |                 |                |                    |                 |                 |
| Donations and legacies                                | 3     | 31,733             | -               | 31,733         | 41,250             | -               | 41,250          |
| Charitable activities                                 | 4     | 166,915            | -               | 166,915        | 161,075            | -               | 161,075         |
| Investments                                           | 5     | 4,477              | -               | 4,477          | 3,395              | -               | 3,395           |
| Other income                                          | 6     | 35                 | -               | 35             | 113                | -               | 113             |
| <b>Total income</b>                                   |       | <u>203,160</u>     | <u>-</u>        | <u>203,160</u> | <u>205,833</u>     | <u>-</u>        | <u>205,833</u>  |
| <b>Expenditure on:</b>                                |       |                    |                 |                |                    |                 |                 |
| Charitable activities                                 | 7     | 206,318            | -               | 206,318        | 166,567            | -               | 166,567         |
| <b>Total expenditure</b>                              |       | <u>206,318</u>     | <u>-</u>        | <u>206,318</u> | <u>166,567</u>     | <u>-</u>        | <u>166,567</u>  |
| Net gains/(losses) on investments                     | 11    | <u>(1,321)</u>     | <u>-</u>        | <u>(1,321)</u> | <u>(20,377)</u>    | <u>-</u>        | <u>(20,377)</u> |
| <b>Net income/(expenditure) and movement in funds</b> |       | <u>(4,479)</u>     | <u>-</u>        | <u>(4,479)</u> | <u>18,889</u>      | <u>-</u>        | <u>18,889</u>   |
| <b>Reconciliation of funds:</b>                       |       |                    |                 |                |                    |                 |                 |
| Fund balances at 1 April 2023                         |       | <u>190,129</u>     | <u>12,500</u>   | <u>202,629</u> | <u>171,240</u>     | <u>12,500</u>   | <u>183,740</u>  |
| <b>Fund balances at 31 March 2024</b>                 |       | <u>185,650</u>     | <u>12,500</u>   | <u>198,150</u> | <u>190,129</u>     | <u>12,500</u>   | <u>202,629</u>  |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## BALANCE SHEET

AS AT 31 MARCH 2024

|                                                       | Notes | 2024<br>£      | £              | 2023<br>£      | £              |
|-------------------------------------------------------|-------|----------------|----------------|----------------|----------------|
| <b>Fixed assets</b>                                   |       |                |                |                |                |
| Investments                                           | 14    |                | 86,961         |                | 88,282         |
| <b>Current assets</b>                                 |       |                |                |                |                |
| Debtors                                               | 15    | 33,706         |                | 22,119         |                |
| Cash at bank and in hand                              |       | 82,320         |                | 93,228         |                |
|                                                       |       | <u>116,026</u> |                | <u>115,347</u> |                |
| <b>Creditors: amounts falling due within one year</b> | 16    | <u>(4,837)</u> |                | <u>(1,000)</u> |                |
| Net current assets                                    |       |                | 111,189        |                | 114,347        |
| <b>Total assets less current liabilities</b>          |       |                | <u>198,150</u> |                | <u>202,629</u> |
| <b>Capital funds</b>                                  |       |                |                |                |                |
| Endowment funds - general                             | 18    |                | 12,500         |                | 12,500         |
| <b>Income funds</b>                                   |       |                |                |                |                |
| <u>Unrestricted funds</u>                             |       |                |                |                |                |
| General unrestricted funds                            |       | 178,105        |                | 181,263        |                |
| Revaluation reserve                                   |       | <u>7,545</u>   |                | <u>8,866</u>   |                |
|                                                       |       |                | 185,650        |                | 190,129        |
|                                                       |       |                | <u>198,150</u> |                | <u>202,629</u> |

The financial statements were approved by the Trustees on 20 October 2024

*Elizabeth L Mortimer*

*Mr K Adams*

Mrs E Mortimer  
Trustee

Mr K Adams \*  
Trustee

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024

---

#### 1 Accounting policies

##### Charity information

Beechen Grove Baptist Church Trust is an unincorporated charity.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investments and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

##### 1.5 Expenditure

The Church makes grants to other organisations whose charitable objectives complement its work. They are accounted for in the year in which they were paid.

##### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies

(Continued)

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Fund Raising

The church does not make formal appeals for funds and expenditure on these items are therefore not considered material.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 1 Accounting policies

(Continued)

#### 1.12 Fixed Assets

The Trustee of the Church land and premises is The Baptist Union Corporation Limited, which holds the freehold deeds on behalf of the Trust. The original cost of the land and buildings is unknown, and there are insufficient details of its current value. The insurance valuations are detailed in the notes to the accounts.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Voluntary income including donations and legacies

|                     | 2024          | 2023          |
|---------------------|---------------|---------------|
|                     | £             | £             |
| Donations and gifts | 13,719        | 32,267        |
| Envelope Scheme     | 1,495         | 703           |
| Other Offerings     | 10,401        | 4,030         |
| Income tax refund   | 6,118         | 4,250         |
|                     | <u>31,733</u> | <u>41,250</u> |

### 4 Income from charitable activities

|                                   | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|-----------------------------------|------------------------------------|------------------------------------|
| <b>Ancillary income</b>           |                                    |                                    |
| Contributions for use of premises | <u>166,915</u>                     | <u>161,075</u>                     |

### 5 Income from investments

|              | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|--------------|------------------------------------|------------------------------------|
| Other income | <u>4,477</u>                       | <u>3,395</u>                       |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 6 Other income

|              | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|--------------|------------------------------------|------------------------------------|
| Other income | 35                                 | 113                                |

### 7 Charitable activities

|                                          | 2024<br>£ | 2023<br>£ |
|------------------------------------------|-----------|-----------|
| Staff costs                              | 65,543    | 50,570    |
| Administration                           | 3,680     | 2,087     |
| Insurance                                | 11,466    | 10,771    |
| Premises costs                           | 85,496    | 64,564    |
| Manse expenses                           | 12,793    | 10,969    |
| Pastoral care                            | 5,122     | 4,510     |
| Resources                                | 2,305     | 1,053     |
| Telephone                                | 1,249     | 1,288     |
| Legal and professional costs             | 455       | 395       |
| Sundry expenses                          | 9,752     | 8,187     |
| Bank charges                             | 32        | 32        |
| Governance costs                         | 1,080     | 1,080     |
|                                          | 198,973   | 155,506   |
| Grant funding of activities (see note 8) | 7,345     | 11,061    |
|                                          | 206,318   | 166,567   |

Governance costs comprise independent examiner's fees of £1,080 (2023 - £1,080).

### 8 Grants payable

|                                            | 2024<br>£ | 2023<br>£ |
|--------------------------------------------|-----------|-----------|
| BMS World Mission                          | 1,200     | 1,200     |
| CBA (Baptist Union Home Mission)           | 1,200     | 1,200     |
| BMS (Baptist Missionary Society) - Ukraine | -         | 1,000     |
| Saltmine Trust                             | -         | 1,935     |
| Watford Town Centre Chaplaincy             | -         | 1,500     |
| BMS (Baptist Missionary Society) - Turkey  | 1,000     | -         |
| Other                                      | 3,945     | 4,226     |
|                                            | 7,345     | 11,061    |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 10 Employees

#### Number of employees

The average monthly number of employees during the year was:

|                                   | 2024<br>Number | 2023<br>Number |
|-----------------------------------|----------------|----------------|
| Pastoral Care (Minister)          | 1              | 1              |
| Management of House and Community | 2              | 2              |
|                                   | <u>3</u>       | <u>3</u>       |

#### Employment costs

|                       | 2024<br>£     | 2023<br>£     |
|-----------------------|---------------|---------------|
| Wages and salaries    | 60,436        | 47,949        |
| Social security costs | 614           | -             |
| Other pension costs   | 4,493         | 2,621         |
|                       | <u>65,543</u> | <u>50,570</u> |

During the year, an amount was paid in relation to Pastoral Care (Minister) by way of a Stipend of £20,852 (2022: £1,104).

There were no employees whose annual remuneration was £60,000 or more.

### 11 Gains and losses on investments

|                            | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|----------------------------|------------------------------------|------------------------------------|
| Gains/(losses) arising on: |                                    |                                    |
| Revaluation of investments | <u>(1,321)</u>                     | <u>(20,377)</u>                    |

### 12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 13 Tangible fixed assets

The Church occupies land and premises which are owned by The Baptist Union Corporation Limited for no value. The original cost of the land and buildings are unknown and there are insufficient details available to determine its current value.

The insurance values (as at September 2020) total £11,393,559. These were split accordingly:

|                 |             |
|-----------------|-------------|
| Church Premises | £10,941,096 |
| Manse           | £452,463    |

### 14 Fixed asset investments

|                          | Listed<br>investments<br>£ |
|--------------------------|----------------------------|
| <b>Cost or valuation</b> |                            |
| At 1 April 2023          | 88,282                     |
| Valuation changes        | (1,321)                    |
| At 31 March 2024         | 86,961                     |
| <b>Carrying amount</b>   |                            |
| At 31 March 2024         | 86,961                     |
| At 31 March 2023         | 88,282                     |

### 15 Debtors

|                                             | 2024<br>£ | 2023<br>£ |
|---------------------------------------------|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 19,164    | 17,875    |
| Other debtors                               | 14,542    | 4,244     |
|                                             | 33,706    | 22,119    |

### 16 Creditors: amounts falling due within one year

|                              | 2024<br>£ | 2023<br>£ |
|------------------------------|-----------|-----------|
| Other creditors              | 3,837     | -         |
| Accruals and deferred income | 1,000     | 1,000     |
|                              | 4,837     | 1,000     |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

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#### 17 Retirement benefit schemes

##### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £4,493 (2023 - £2,621).

##### Defined benefit schemes

The church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme") which was known as the Baptist Ministers' Pension Fund until 31 December 2011 ("the Ministers' Fund"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Minister is eligible to join the Scheme, which is not contracted out of the State Second Pension(S2P).

The main benefits provided by the Ministers' Fund for service prior to 1 January 2012 are a Defined Benefit (DB) pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. From 1 January 2009 ministers paid 8% of their Pensionable Income and employer paid 16%. The Fund started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

From January 2012, pension provision was being made through Defined Contribution (DC) Plan within the Scheme. Members pay 8% and employers pay 16% of members Pensionable Income into individual accounts which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, the administration of the DC Plan, and an associated insurance policy which provides income protection for Scheme members in the event they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited.

A formal valuation of the Ministers' Fund was performed on 31 December 2010 by a professionally qualified Actuary using the Projected Unit method. The market value of the Fund's assets at the valuation date was £129,866,000.

The valuation of the Ministers' Fund revealed a deficit of assets compared with the value of liabilities of £69,700,000 (equivalent to a past service funding level of 65%). As a result of the valuation, in addition to contributions paid to the DC Plan set out above, deficiency contributions from employers to the Ministers' Fund (now the DB Plan within the Scheme) were set at 8.4% of Pensionable Income for 2012 and 11% of Pensionable Income from 2013 onwards. The Recovery Plan envisages deficiency contributions being required for 24 years.

##### Valuation

The financial assumptions underlying the valuations were as follows:

|                                                                     |       |
|---------------------------------------------------------------------|-------|
| Discount rate pre-retirement                                        | 5.70% |
| Discount rate post-retirement                                       | 4.55% |
| Rate of price inflation                                             | 3.70% |
| Rate of revaluation on deferred pensions accrued to 5 April 2009    | 3.70% |
| Rate of revaluation on deferred pensions accrued after 5 April 2009 | 2.50% |
| Rate of pension increases on benefits accrued to 5 April 2006       | 3.50% |
| Rate of pension increases on benefits accrued after 5 April 2006    | 2.30% |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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### 17 Retirement benefit schemes

(Continued)

As there is a large number of contributing employers participating in the Scheme, the church is unable to identify its share of the underlying assets and liabilities of the Scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable.

#### £33m additional cash contributions from BUGB

BUGB made a contributions of £33m in December 2018 on behalf of the Baptist family in order to reduce the current deficit.

#### No change to the current employer deficit contributions

The large additional contributions from BUGB mean that the Scheme employers will see no increase in the deficit contributions under the new recovery plan. Deficit contributions for churches and other employers will not increase, other than to reflect any annual changes in the Minimum Pensionable Income.

The length of time for which deficit contributions must be paid, is reduced by 2½ years with contributions now due to finish in June 2026 rather than December 2028 .

#### Amendments to Scheme member benefits

At the request of the Employers Group, as part of the overall Family Solution, the Pension Trustee has agreed that from January 2019 onwards, the annual increase to pensions in payment will use the Consumer Price Index (CPI) as the measure of inflation, rather than the Retail Price Index (RPI). This change is permitted within the scheme rules. RPI is now generally accepted as a flawed measure that typically overstates inflation, whereas CPI is calculated to an internationally recognised standard. Because CPI is typically lower than RPI, this change reduces the scheme deficit, by reducing the annual inflation increase paid to Scheme beneficiaries.

To partly offset the impact on scheme beneficiaries of the change from RPI to CPI, a number of other amendments to the scheme benefits have been agreed:

- an increase to that part of any pension in payment which was earned on service before 6th April 2006, of up to 1% in addition to CPI for each of the next 3 years, provided that CPI is less than RPI, and subject to the overall annual cap of 5% on increases contained within the scheme rules.
- an increase to the cap on annual increases for that part of any pension in payment which was earned on service on or after 6th April 2006, from 2.5% to 5% (this mirrors the cap on increases to pre 6th April 2006 pensions).
- the manse allowance (which has been frozen for a number of years) will increase in line with CPI inflation, benefitting active scheme members
- Deferred pensions will continue to rise in line with RPI (subject to the statutory 5% pa cumulative cap) as this is mandated by the scheme rules.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 17 Retirement benefit schemes

(Continued)

#### Changes since the last valuation

The formal actuarial valuation of the Defined Benefit Section of the Baptist Pension Scheme as at 31 December 2019 has been completed. This was following discussions between the Scheme Trustee and representatives of the Baptist Pension Scheme Employers' Group. The main outcomes of the valuation are:

- The deficit in the scheme has reduced to £18m from £93m at the previous valuation. The estimated deficit at 30 June 2022 is £10m.

- There will be no increase in employers' deficit recovery contributions (other than the annual uplift for inflation);

- The expectation for when deficit recovery contributions might cease is brought forward by two and a half years to June 2026; and

A temporary reduction of 50% to the deficit recovery contributions will be put in place for the second half of 2020 to alleviate some of the additional financial pressure on employers during the Coronavirus pandemic.

#### Movements in the deficit in 2020

There are two substantial developments coming into play since December 2019 that have an impact on DB Plan funding:

1. Although mitigated to some extent by the Trustee's relatively low-risk investment strategy, the Coronavirus pandemic has impacted financial markets and led to a reduction in the value of some DB Plan investments.

2. The Government is currently consulting on how and when to change how the Retail Prices Index (RPI) is calculated to bring it more into line with the, generally lower, Consumer Prices Index (CPI). We anticipate that this change will lead to a lower value for some of the RPI-linked assets held by the DB Plan. This impact is partially offset by an assumed reduction in the cost of providing deferred benefits which are revalued up to retirement in line with RPI.

The DB Plan's actual financial position moves daily with changes in financial market conditions. However, in the agreed deficit recovery contributions we have made an allowance for a £10m deterioration in the deficit since 31 December 2019 to take account of the current impact of the two items above.

#### Financial pressures on employers

BUGB recognised very early that some churches and employers would suffer significant financial loss because of being unable to meet or to rent out their premises during the Coronavirus lockdown. BPS circulated a survey to all employers in April to ascertain how extensive this was. Although the proportion of employers expecting to struggle over the short term was fairly low, BUGB and the Employers' Group were eager to offer some reduction since the effects are continuing.

We are not able to treat individual employers differently depending on their circumstances, so we have had to balance both the immediate needs of those churches under financial pressure and the longer term need to fully fund the DB Plan. We believe a 50% reduction for the six months from July to December 2020 achieves this balance.

The reduction will happen automatically, you do not need to take any action. Deficit recovery contributions from January 2021 will then return to the full level, including the normal inflationary increase for 2021. Please note that your contributions to the DC Plan for any ongoing members of BPS will continue at their full rate. This reduction only applies to the DB Plan deficit recovery contributions.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 18 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

|                             | At 1 April<br>2023<br>£          | At 31 March<br>2024<br>£          |
|-----------------------------|----------------------------------|-----------------------------------|
| <b>Permanent endowments</b> |                                  |                                   |
|                             | 12,500                           | 12,500                            |
|                             | <u>          </u>                | <u>          </u>                 |
| <b>Previous year:</b>       | <b>At 1 April<br/>2022<br/>£</b> | <b>At 31 March<br/>2023<br/>£</b> |
| <b>Permanent endowments</b> |                                  |                                   |
| Sutton Road Fund            | 12,500                           | 12,500                            |
|                             | <u>          </u>                | <u>          </u>                 |

The endowment fund comprises funds relating to the former Sutton Road School. The land was conveyed to former Trustees for use as a school and for the the promotion of such religious, philanthropic or other purposes as the Minister and Deacons (Trustees) for the time being of Beechen Grove Baptist Chapel (now Beechen Grove Baptist Church) should from time to time direct. During the 1960s, the Trustees at the time directed that the school building was to be sold. Under the terms of the deeds the capital was to remain a permanent endowment, but the Trustees can use the interest on that capital for philanthropic or other purposes. The Sutton Road Fund was administered as a separate charity. In 1997, the Trustees at the time directed that the Sutton Road Fund and two other small charities were to be combined into the present registered charity. The amalgamation of these charities was completed in 1998. This amount is invested in Charinco Common Investment Fund. The permanent endowment of £12,500 is invested in Charinco. In common with most endowment funds, the charity is only able to use the interest earned, leaving the capital element untouched. Special application would have to be made before the capital could be released.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

### 19 Analysis of net assets between funds

|                                                    | Unrestricted<br>Funds<br>£ | Endowment<br>Fund<br>£ | Total<br>£     |
|----------------------------------------------------|----------------------------|------------------------|----------------|
| Fund balances at 31 March 2024 are represented by: |                            |                        |                |
| Investments                                        | 86,961                     | -                      | 86,961         |
| Current assets/(liabilities)                       | 98,689                     | 12,500                 | 111,189        |
|                                                    | <u>185,650</u>             | <u>12,500</u>          | <u>198,150</u> |

|                                                    | Unrestricted<br>Funds<br>£ | Endowment<br>Fund<br>£ | Total<br>£     |
|----------------------------------------------------|----------------------------|------------------------|----------------|
| Fund balances at 31 March 2023 are represented by: |                            |                        |                |
| Investments                                        | 88,517                     | -                      | 88,517         |
| Current assets/(liabilities)                       | 19,154                     | 12,500                 | 31,654         |
|                                                    | <u>107,671</u>             | <u>12,500</u>          | <u>120,171</u> |

### 20 Related party transactions

The custodian Trustee of the church is the Baptist Union Corporation Limited (Charity No. 249635), which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the Central Baptist Association.

The church made a grant to the Baptist Union Home Mission Scheme as set out in note 8.

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# Accounts

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Charity registration number 1070890

**BEECHEN GROVE BAPTIST CHURCH TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# BEECHEN GROVE BAPTIST CHURCH TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Mr K Tondoneh  
Mrs P Cox  
Mrs E Mortimer  
Mr K Adams  
Ms M Bengco  
Rev'd S Heard

**Church Secretary**

Mrs Elizabeth Mortimer

**Minister**

Rev'd S Heard

(Appointed July 2022)

**Treasurer**

Mr Kelvin Adams

**Charity number**

1070890

**Principal address**

Clarendon Road  
Watford  
Hertfordshire  
WD17 1JJ

**Independent examiner**

John Wilson FCAATII  
Howard Wilson Chartered Accountants  
36 Crown Rise  
Watford  
Hertfordshire  
WD25 0NE

**Bankers**

Barclays Bank Plc,  
62/64 High Street  
Watford  
Hertfordshire  
WD17 2BT

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# BEECHEN GROVE BAPTIST CHURCH TRUST

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# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2023**

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The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### **Objectives and activities**

The Charity is governed by an Approved Governing Document which states that the principal purpose of the Charity is to further the religious and other charitable work of Beechen Grove Baptist Church and the maintenance and repair of the fabric of the listed Church building and other Church property.

The Church occupies premises which are held by the Baptist Union Corporation Ltd on Trusts which are entirely compatible with the above object.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In order to achieve the principal objective which is set out above, the Church provides a variety of activities to both its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people to a closer relationship with Him as a living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These take place each Sunday at 10.30 a.m. There are also occasional services at other times which are advertised on the church notice board, the local media and the website at [bgbaptist.org.uk](http://bgbaptist.org.uk). There is also a children's programme during the morning service. The Church seeks to be a friendly and welcoming community and anyone is free to attend any of these services.

The Church holds a weekly prayer meeting, details of which can be obtained at the Sunday services of worship and a bible or book study is also arranged.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to Disclosure and Barring.

The Church has read the Charity Commission guidance on public benefit and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

### **Achievements and performance**

The Church does not measure success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship and encouragement. The Trustees recognise that these are difficult to measure.

While the number in our Sunday morning services seems to remain rather the same, with the increase in new members offset by the few deaths of ageing members and some young couples moving out of Watford seeking a better buy in order to purchase their first house. We are maintaining and improving our worship ministry via live-streaming of services as well as on YouTube for later viewing, and we hope to reach as wide an audience as possible. On 24 September 2022 we were delighted to hold an induction service for our new pastor, Rev Simon Heard, after a period of 15 months without a minister due to the previous minister's retirement.

We do have a sense of "mission" to our immediate geographical community – to show our love and interest in them. The Explorer Scouts joined our Remembrance Sunday service on 13 November, and the Saltmine Theatre Company presented their play 'Neverland' on 27 November. We have also sponsored two visits by Saltmine to local schools.

# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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As part of our ministry to and within the local community, we offer the use of our premises for reasonable fees to a variety of religious, community, educational, cultural and social groups. Many of the groups have been long-term users and have expressed satisfaction at the facilities provided.

The Church employs a full time, salaried Manager of House and Community who liaises with the Trustees and every user group and ensures that the facilities are well maintained and conform to public building regulations. A church member serves as a Watford Town Centre Chaplaincy chaplain to the staff at the Watford Borough Council offices.

We have been challenged by Jesus' words: "Seek first the Kingdom of God." Though we yearn to see our Baptist church grow, we also yearn to be facilitators for the growth of God's influence in our town. Recognising the great ethnic diversity in Watford, we have allowed four other independent Christian congregations to use our church halls on Sundays, and several others for their mid-week prayer services, so that now there are services in English, Portuguese, Romanian, Twi (a dialect spoken in Ghana and neighbouring countries), and a service with a very distinctive West Indies flavour every single Sunday. So, our church is moving in the direction of "becoming a house of prayer for all peoples."

We seek to work and pray with ever greater unity with the other Christian churches in Watford, through such venues as Churches Together and Christians Across Watford.

Our endeavour to work with other Christians extends beyond the immediate Watford area. Our outreach beyond our shores to show Christian love and compassion has been channelled through such agencies as the BMS World Mission, Christian Aid, the Shoe Box Appeal, and Operation Agri, among other outlets.

The pandemic lockdowns had a big impact on income as approximately 75% comes from bookings of the sanctuary and meeting rooms. Since then, bookings have increased and our income has risen back to the previous level.

### **Financial review**

The Church continues to raise the funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year.

The Church expressed its part in the life of the wider church by making donations to local, national and international Christian organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The financial results for the year, together with a summary of accounting policies adopted are set out in the accompanying financial statements.

The Statement of Financial Affairs shows the income and day to day running costs of the church. This account shows a surplus of £18,889 (2022: £63,569).

The Balance Sheet shows the total resources of the church less our liabilities at the end of the financial year. This also includes an Endowment Fund of £12,500, which is the permanent endowment of the original Sutton Schools legacy. At the year end unrestricted funds were £190,129 (2022: £171,240).

The Trustees have made an assessment of the major risks facing the church and are satisfied that there are policies in place to minimize them.

The Trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### Structure, governance and management

The charity is governed by a Scheme of the Charity Commissioners dated 11 May 1998.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr K Tondoneh

Mrs P Cox

Ms L da Costa Stateri

(Resigned 31 May 2022)

Mrs E Mortimer

Mr K Adams

Ms M Bengco

Rev'd S Heard

(Appointed 8 July 2022)

Members of the Church are accepted in accordance with the Constitution which requires them to be or to have been publicly baptised on the profession of faith in Jesus Christ or be accepted for full membership based on their own public profession of faith.

The normal Church Member's Meetings take place five times per year including the Annual General Meeting in October. These Member's Meetings have responsibility for the overall policy of the Church. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

At our AGM last October, it was unanimously agreed to amend our Constitution. The pandemic lockdowns had resulted in problems holding face-to-face church meetings. Some changes and additions to clauses, suggested by the Baptist Union in agreement with the Charity Commission, allow the use of meetings fully or partially online. Also, the need for Trustees to serve up to two terms for three years then step down for a year was removed. The appointment of the Secretary and Treasurer are made annually. The Trustees together with the Minister, Church Secretary and Treasurer (who are also appointed by the members), collectively known as the Diaconate, are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. The election of Trustees, Secretary and Treasurer takes place at the Annual Church Meeting.

Relevant matters may be submitted to the Church Members' Meeting by the Trustees for guidance, or may be raised by members in the Church Meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church Members' Meetings by appropriate majorities, the Church Members seek to work by consensus wherever possible.

The Trustees' report was approved by the Board of Trustees.

**Mr K Adams**

Trustee

Dated: 4 January 2024



# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 MARCH 2023**

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Trustees are required to:

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

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

# BEECHEN GROVE BAPTIST CHURCH TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF BEECHEN GROVE BAPTIST CHURCH TRUST

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I report to the Trustees on my examination of the financial statements of Beechen Grove Baptist Church Trust (the charity) for the year ended 31 March 2023.

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

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



**John Wilson FCA ATII**

Howard Wilson Chartered Accountants  
36 Crown Rise  
Watford  
Hertfordshire  
WD25 0NE

Dated: 4 January 2024

# BEECHEN GROVE BAPTIST CHURCH TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

|                                                   | Notes | Unrestricted funds<br>2023<br>£ | Endowment funds<br>2023<br>£ | Total<br>2023<br>£    | Unrestricted funds<br>2022<br>£ | Endowment funds<br>2022<br>£ | Total<br>2022<br>£    |
|---------------------------------------------------|-------|---------------------------------|------------------------------|-----------------------|---------------------------------|------------------------------|-----------------------|
| <b><u>Income and endowments from:</u></b>         |       |                                 |                              |                       |                                 |                              |                       |
| Voluntary income including donations and legacies | 3     | 41,250                          | -                            | 41,250                | 24,844                          | -                            | 24,844                |
| Income from charitable activities                 | 4     | 161,075                         | -                            | 161,075               | 156,951                         | -                            | 156,951               |
| Investments                                       | 5     | 3,395                           | -                            | 3,395                 | 2,837                           | -                            | 2,837                 |
| Other income                                      | 6     | 113                             | -                            | 113                   | 405                             | -                            | 405                   |
| <b>Total income</b>                               |       | <u>205,833</u>                  | <u>-</u>                     | <u>205,833</u>        | <u>185,037</u>                  | <u>-</u>                     | <u>185,037</u>        |
| <b><u>Expenditure on:</u></b>                     |       |                                 |                              |                       |                                 |                              |                       |
| Charitable activities                             | 7     | <u>166,567</u>                  | <u>-</u>                     | <u>166,567</u>        | <u>121,610</u>                  | <u>-</u>                     | <u>121,610</u>        |
| Net gains/(losses) on investments                 | 11    | <u>(20,377)</u>                 | <u>-</u>                     | <u>(20,377)</u>       | <u>142</u>                      | <u>-</u>                     | <u>142</u>            |
| <b>Net movement in funds</b>                      |       | <u>18,889</u>                   | <u>-</u>                     | <u>18,889</u>         | <u>63,569</u>                   | <u>-</u>                     | <u>63,569</u>         |
| Fund balances at 1 April 2022                     |       | <u>171,240</u>                  | <u>12,500</u>                | <u>183,740</u>        | <u>107,671</u>                  | <u>12,500</u>                | <u>120,171</u>        |
| <b>Fund balances at 31 March 2023</b>             |       | <u><u>190,129</u></u>           | <u><u>12,500</u></u>         | <u><u>202,629</u></u> | <u><u>171,240</u></u>           | <u><u>12,500</u></u>         | <u><u>183,740</u></u> |

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

All income and expenditure derive from continuing activities.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## BALANCE SHEET

AS AT 31 MARCH 2023

|                                                       | Notes | 2023<br>£      | £              | 2022<br>£      | £              |
|-------------------------------------------------------|-------|----------------|----------------|----------------|----------------|
| <b>Fixed assets</b>                                   |       |                |                |                |                |
| Investments                                           | 14    |                | 88,282         |                | 88,659         |
| <b>Current assets</b>                                 |       |                |                |                |                |
| Debtors                                               | 15    | 22,119         |                | 20,909         |                |
| Cash at bank and in hand                              |       | 93,228         |                | 75,172         |                |
|                                                       |       | <u>115,347</u> |                | <u>96,081</u>  |                |
| <b>Creditors: amounts falling due within one year</b> | 16    | <u>(1,000)</u> |                | <u>(1,000)</u> |                |
| Net current assets                                    |       |                | 114,347        |                | 95,081         |
| <b>Total assets less current liabilities</b>          |       |                | <u>202,629</u> |                | <u>183,740</u> |
| <b>Capital funds</b>                                  |       |                |                |                |                |
| Endowment funds - general                             | 18    |                | 12,500         |                | 12,500         |
| <b>Income funds</b>                                   |       |                |                |                |                |
| <u>Unrestricted funds</u>                             |       |                |                |                |                |
| General unrestricted funds                            |       | 181,263        |                | 164,336        |                |
| Revaluation reserve                                   |       | <u>8,866</u>   |                | <u>6,904</u>   |                |
|                                                       |       |                | 190,129        |                | 171,240        |
|                                                       |       |                | <u>202,629</u> |                | <u>183,740</u> |

The financial statements were approved by the Trustees on 4 January 2024

*Elizabeth L. Mortimer*

Mrs E Mortimer  
Trustee

*Mr K Adams*

Mr K Adams  
Trustee

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

#### Charity information

Beechen Grove Baptist Church Trust is an unincorporated charity.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investments and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### 1.5 Expenditure

The Church makes grants to other organisations whose charitable objectives complement its work. They are accounted for in the year in which they were paid.

#### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Fund Raising

The church does not make formal appeals for funds and expenditure on these items are therefore not considered material.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.12 Fixed Assets

The Trustee of the Church land and premises is The Baptist Union Corporation Limited, which holds the freehold deeds on behalf of the Trust. The original cost of the land and buildings is unknown, and there are insufficient details of its current value. The insurance valuations are detailed in the notes to the accounts.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Voluntary income including donations and legacies

|                     | 2023          | 2022          |
|---------------------|---------------|---------------|
|                     | £             | £             |
| Donations and gifts | 32,267        | 12,987        |
| Envelope Scheme     | 703           | 760           |
| Other Offerings     | 4,030         | 8,013         |
| Income tax refund   | 4,250         | 3,084         |
|                     | <u>41,250</u> | <u>24,844</u> |

### 4 Income from charitable activities

|                                   | 2023           | 2022           |
|-----------------------------------|----------------|----------------|
|                                   | £              | £              |
| Contributions for use of premises | <u>161,075</u> | <u>156,951</u> |

### 5 Investments

|                                 | Unrestricted funds | Unrestricted funds |
|---------------------------------|--------------------|--------------------|
|                                 | 2023               | 2022               |
|                                 | £                  | £                  |
| Charinco Common Investment Fund | <u>3,395</u>       | <u>2,837</u>       |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 6 Other income

Unrestricted funds      Unrestricted funds

2023      2022  
£      £

|              |     |     |
|--------------|-----|-----|
| Other income | 113 | 405 |
|--------------|-----|-----|

### 7 Charitable activities

2023      2022  
£      £

|                                          |         |         |
|------------------------------------------|---------|---------|
| Staff costs                              | 50,570  | 32,038  |
| Administration                           | 2,087   | 2,427   |
| Insurance                                | 10,771  | 10,111  |
| Premises costs                           | 64,564  | 50,665  |
| Manse expenses                           | 10,969  | 4,090   |
| Pastoral care                            | 4,510   | 4,941   |
| Resources                                | 1,053   | 317     |
| Telephone                                | 1,288   | 1,826   |
| Legal and professional costs             | 395     | 256     |
| Sundry expenses                          | 8,187   | 12,277  |
| Bank charges                             | 32      | 32      |
| Governance costs                         | 1,080   | 1,080   |
|                                          | 155,506 | 120,060 |
| Grant funding of activities (see note 8) | 11,061  | 1,550   |
|                                          | 166,567 | 121,610 |

Governance costs comprise independent examiner's fees of £1,080 (2022 - £1,080).

### 8 Grants payable

2023      2022  
£      £

|                                            |        |       |
|--------------------------------------------|--------|-------|
| BMS World Mission                          | 1,200  | 600   |
| CBA (Baptist Union Home Mission)           | 1,200  | 600   |
| BMS (Baptist Missionary Society) - Ukraine | 1,000  | -     |
| Saltmine Trust                             | 1,935  | -     |
| Watford Town Centre Chaplaincy             | 1,500  | -     |
| Other                                      | 4,226  | 350   |
|                                            | 11,061 | 1,550 |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 10 Employees

#### Number of employees

The average monthly number of employees during the year was:

|                                   | 2023<br>Number | 2022<br>Number |
|-----------------------------------|----------------|----------------|
| Pastoral Care (Minister)          | 1              | 1              |
| Management of House and Community | 2              | 2              |
|                                   | <u>3</u>       | <u>3</u>       |

#### Employment costs

|                     | 2023<br>£     | 2022<br>£     |
|---------------------|---------------|---------------|
| Wages and salaries  | 47,949        | 26,619        |
| Other pension costs | 2,621         | 5,419         |
|                     | <u>50,570</u> | <u>32,038</u> |

During the year, an amount was paid in relation to Pastoral Care (Minister) by way of a Stipend of £20,852 (2022: £1,104).

There were no employees whose annual remuneration was £60,000 or more.

### 11 Net gains/(losses) on investments

|                            | Unrestricted<br>funds | Unrestricted<br>funds |
|----------------------------|-----------------------|-----------------------|
|                            | 2023<br>£             | 2022<br>£             |
| Revaluation of investments | (20,377)              | 142                   |

### 12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 13 Tangible fixed assets

The Church occupies land and premises which are owned by The Baptist Union Corporation Limited for no value. The original cost of the land and buildings are unknown and there are insufficient details available to determine its current value.

The insurance values (as at September 2020) total £11,393,559. These were split accordingly:

|                 |             |
|-----------------|-------------|
| Church Premises | £10,941,096 |
| Manse           | £452,463    |

### 14 Fixed asset investments

|                          | Listed<br>investments<br>£ |
|--------------------------|----------------------------|
| <b>Cost or valuation</b> |                            |
| At 1 April 2022          | 88,659                     |
| Additions                | 20,000                     |
| Valuation changes        | (20,377)                   |
| At 31 March 2023         | 88,282                     |
| <b>Carrying amount</b>   |                            |
| At 31 March 2023         | 88,282                     |
| At 31 March 2022         | 88,659                     |

### 15 Debtors

|                                             | 2023<br>£ | 2022<br>£ |
|---------------------------------------------|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 17,875    | 17,825    |
| Other debtors                               | 4,244     | 3,084     |
|                                             | 22,119    | 20,909    |

### 16 Creditors: amounts falling due within one year

|                              | 2023<br>£ | 2022<br>£ |
|------------------------------|-----------|-----------|
| Accruals and deferred income | 1,000     | 1,000     |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### 17 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £2,621 (2022 - £5,419).

#### Defined benefit schemes

The church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme") which was known as the Baptist Ministers' Pension Fund until 31 December 2011 ("the Ministers' Fund"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Minister is eligible to join the Scheme, which is not contracted out of the State Second Pension(S2P).

The main benefits provided by the Ministers' Fund for service prior to 1 January 2012 are a Defined Benefit (DB) pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. From 1 January 2009 ministers paid 8% of their Pensionable Income and employer paid 16%. The Fund started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

From January 2012, pension provision was being made through Defined Contribution (DC) Plan within the Scheme. Members pay 8% and employers pay 16% of members Pensionable Income into individual accounts which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, the administration of the DC Plan, and an associated insurance policy which provides income protection for Scheme members in the event they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited.

A formal valuation of the Ministers' Fund was performed on 31 December 2010 by a professionally qualified Actuary using the Projected Unit method. The market value of the Fund's assets at the valuation date was £129,866,000.

The valuation of the Ministers' Fund revealed a deficit of assets compared with the value of liabilities of £69,700,000 (equivalent to a past service funding level of 65%). As a result of the valuation, in addition to contributions paid to the DC Plan set out above, deficiency contributions from employers to the Ministers' Fund (now the DB Plan within the Scheme) were set at 8.4% of Pensionable Income for 2012 and 11% of Pensionable Income from 2013 onwards. The Recovery Plan envisages deficiency contributions being required for 24 years.

#### Valuation

The financial assumptions underlying the valuations were as follows:

|                                                                     |       |
|---------------------------------------------------------------------|-------|
| Discount rate pre-retirement                                        | 5.70% |
| Discount rate post-retirement                                       | 4.55% |
| Rate of price inflation                                             | 3.70% |
| Rate of revaluation on deferred pensions accrued to 5 April 2009    | 3.70% |
| Rate of revaluation on deferred pensions accrued after 5 April 2009 | 2.50% |
| Rate of pension increases on benefits accrued to 5 April 2006       | 3.50% |
| Rate of pension increases on benefits accrued after 5 April 2006    | 2.30% |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

---

### 17 Retirement benefit schemes

(Continued)

As there is a large number of contributing employers participating in the Scheme, the church is unable to identify its share of the underlying assets and liabilities of the Scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable.

#### £33m additional cash contributions from BUGB

BUGB made contributions of £33m in December 2018 on behalf of the Baptist family in order to reduce the current deficit.

#### No change to the current employer deficit contributions

The large additional contributions from BUGB mean that the Scheme employers will see no increase in the deficit contributions under the new recovery plan. Deficit contributions for churches and other employers will not increase, other than to reflect any annual changes in the Minimum Pensionable Income.

The length of time for which deficit contributions must be paid, is reduced by 2½ years with contributions now due to finish in June 2026 rather than December 2028.

#### Amendments to Scheme member benefits

At the request of the Employers Group, as part of the overall Family Solution, the Pension Trustee has agreed that from January 2019 onwards, the annual increase to pensions in payment will use the Consumer Price Index (CPI) as the measure of inflation, rather than the Retail Price Index (RPI). This change is permitted within the scheme rules. RPI is now generally accepted as a flawed measure that typically overstates inflation, whereas CPI is calculated to an internationally recognised standard. Because CPI is typically lower than RPI, this change reduces the scheme deficit, by reducing the annual inflation increase paid to Scheme beneficiaries.

To partly offset the impact on scheme beneficiaries of the change from RPI to CPI, a number of other amendments to the scheme benefits have been agreed:

- an increase to that part of any pension in payment which was earned on service before 6th April 2006, of up to 1% in addition to CPI for each of the next 3 years, provided that CPI is less than RPI, and subject to the overall annual cap of 5% on increases contained within the scheme rules.
- an increase to the cap on annual increases for that part of any pension in payment which was earned on service on or after 6th April 2006, from 2.5% to 5% (this mirrors the cap on increases to pre 6th April 2006 pensions).
- the manse allowance (which has been frozen for a number of years) will increase in line with CPI inflation, benefitting active scheme members
- Deferred pensions will continue to rise in line with RPI (subject to the statutory 5% pa cumulative cap) as this is mandated by the scheme rules.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 17 Retirement benefit schemes

(Continued)

##### Changes since the last valuation

The formal actuarial valuation of the Defined Benefit Section of the Baptist Pension Scheme as at 31 December 2019 has been completed. This was following discussions between the Scheme Trustee and representatives of the Baptist Pension Scheme Employers' Group. The main outcomes of the valuation are:

- The deficit in the scheme has reduced to £18m from £93m at the previous valuation. The estimated deficit at 30 June 2022 is £10m.
- There will be no increase in employers' deficit recovery contributions (other than the annual uplift for inflation);
- The expectation for when deficit recovery contributions might cease is brought forward by two and a half years to June 2026; and

A temporary reduction of 50% to the deficit recovery contributions will be put in place for the second half of 2020 to alleviate some of the additional financial pressure on employers during the Coronavirus pandemic.

##### Movements in the deficit in 2020

There are two substantial developments coming into play since December 2019 that have an impact on DB Plan funding:

1. Although mitigated to some extent by the Trustee's relatively low-risk investment strategy, the Coronavirus pandemic has impacted financial markets and led to a reduction in the value of some DB Plan investments.
2. The Government is currently consulting on how and when to change how the Retail Prices Index (RPI) is calculated to bring it more into line with the, generally lower, Consumer Prices Index (CPI). We anticipate that this change will lead to a lower value for some of the RPI-linked assets held by the DB Plan. This impact is partially offset by an assumed reduction in the cost of providing deferred benefits which are revalued up to retirement in line with RPI.

The DB Plan's actual financial position moves daily with changes in financial market conditions. However, in the agreed deficit recovery contributions we have made an allowance for a £10m deterioration in the deficit since 31 December 2019 to take account of the current impact of the two items above.

##### Financial pressures on employers

BUGB recognised very early that some churches and employers would suffer significant financial loss because of being unable to meet or to rent out their premises during the Coronavirus lockdown. BPS circulated a survey to all employers in April to ascertain how extensive this was. Although the proportion of employers expecting to struggle over the short term was fairly low, BUGB and the Employers' Group were eager to offer some reduction since the effects are continuing.

We are not able to treat individual employers differently depending on their circumstances, so we have had to balance both the immediate needs of those churches under financial pressure and the longer term need to fully fund the DB Plan. We believe a 50% reduction for the six months from July to December 2020 achieves this balance.

The reduction will happen automatically, you do not need to take any action. Deficit recovery contributions from January 2021 will then return to the full level, including the normal inflationary increase for 2021. Please note that your contributions to the DC Plan for any ongoing members of BPS will continue at their full rate. This reduction only applies to the DB Plan deficit recovery contributions.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 18 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

|                             | Movement<br>in funds       |                       | Movement<br>in funds       |                       |                             |
|-----------------------------|----------------------------|-----------------------|----------------------------|-----------------------|-----------------------------|
|                             | Balance at<br>1 April 2021 | Incoming<br>Resources | Balance at<br>1 April 2022 | Incoming<br>Resources | Balance at<br>31 March 2023 |
|                             | £                          | £                     | £                          | £                     | £                           |
| <b>Permanent endowments</b> |                            |                       |                            |                       |                             |
| Sutton Road Fund            | 12,500                     | -                     | 12,500                     | -                     | 12,500                      |
|                             | <u>12,500</u>              | <u>-</u>              | <u>12,500</u>              | <u>-</u>              | <u>12,500</u>               |

The endowment fund comprises funds relating to the former Sutton Road School. The land was conveyed to former Trustees for use as a school and for the promotion of such religious, philanthropic or other purposes as the Minister and Deacons (Trustees) for the time being of Beechen Grove Baptist Chapel (now Beechen Grove Baptist Church) should from time to time direct. During the 1960s, the Trustees at the time directed that the school building was to be sold. Under the terms of the deeds the capital was to remain a permanent endowment, but the Trustees can use the interest on that capital for philanthropic or other purposes. The Sutton Road Fund was administered as a separate charity. In 1997, the Trustees at the time directed that the Sutton Road Fund and two other small charities were to be combined into the present registered charity. The amalgamation of these charities was completed in 1998. This amount is invested in Charinco Common Investment Fund. The permanent endowment of £12,500 is invested in Charinco. In common with most endowment funds, the charity is only able to use the interest earned, leaving the capital element untouched. Special application would have to be made before the capital could be released.

### 19 Analysis of net assets between funds

|                                                    | Unrestricted<br>Funds | Endowment<br>Fund | Total          |
|----------------------------------------------------|-----------------------|-------------------|----------------|
|                                                    | £                     | £                 | £              |
| Fund balances at 31 March 2023 are represented by: |                       |                   |                |
| Investments                                        | 88,282                | -                 | 88,282         |
| Current assets/(liabilities)                       | 101,847               | 12,500            | 114,347        |
|                                                    | <u>190,129</u>        | <u>12,500</u>     | <u>202,629</u> |

|                                                    | Unrestricted<br>Funds | Endowment<br>Fund | Total          |
|----------------------------------------------------|-----------------------|-------------------|----------------|
|                                                    | £                     | £                 | £              |
| Fund balances at 31 March 2022 are represented by: |                       |                   |                |
| Investments                                        | 88,517                | -                 | 88,517         |
| Current assets/(liabilities)                       | 19,154                | 12,500            | 31,654         |
|                                                    | <u>107,671</u>        | <u>12,500</u>     | <u>120,171</u> |

# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

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### **20 Related party transactions**

The custodian Trustee of the church is the Baptist Union Corporation Limited (Charity No. 249635), which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the Central Baptist Association.

The church made a grant to the Baptist Union Home Mission Scheme as set out in note 8.



**BEECHEN GROVE BAPTIST CHURCH TRUST**

England & Wales - Charity number 1070890

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# Accounts

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Charity registration number 1070890

**BEECHEN GROVE BAPTIST CHURCH TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# BEECHEN GROVE BAPTIST CHURCH TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                      |                                                                                                                     |                       |
|----------------------|---------------------------------------------------------------------------------------------------------------------|-----------------------|
| Trustees             | Mr K Tondoneh<br>Mrs P Cox<br>Mrs E Mortimer<br>Mr K Adams<br>Ms M Bengco<br>Rev'd S Heard                          |                       |
| Church Secretary     | Mrs Elizabeth Mortimer                                                                                              |                       |
| Minister             | Rev'd S Heard                                                                                                       | (Appointed July 2022) |
| Treasurer            | Mr Kelvin Adams                                                                                                     |                       |
| Charity number       | 1070890                                                                                                             |                       |
| Principal address    | Clarendon Road<br>Watford<br>Hertfordshire<br>WD17 1JJ                                                              |                       |
| Independent examiner | John Wilson FCAATII<br>Howard Wilson Chartered Accountants<br>36 Crown Rise<br>Watford<br>Hertfordshire<br>WD25 0NE |                       |
| Bankers              | Barclays Bank Plc,<br>62/64 High Street<br>Watford<br>Hertfordshire<br>WD17 2BT                                     |                       |

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**BEECHEN GROVE BAPTIST CHURCH TRUST**

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# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The Charity is governed by an Approved Governing Document which states that the principal purpose of the Charity is to further the religious and other charitable work of Beechen Grove Baptist Church and the maintenance and repair of the fabric of the listed Church building and other Church property.

The Church occupies premises which are held by the Baptist Union Corporation Ltd on Trusts which are entirely compatible with the above object.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In order to achieve the principal objective which is set out above, the Church provides a variety of activities to both its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people to a closer relationship with Him as a living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These take place each Sunday at 10.30 a.m. There are also occasional services at other times which are advertised on the church notice board, the local media and the website at [bgbaptist.org.uk](http://bgbaptist.org.uk). There is also a children's programme during the morning service. The Church seeks to be a friendly and welcoming community and anyone is free to attend any of these services.

The Church holds a weekly prayer meeting, details of which can be obtained at the Sunday services of worship and a bible or book study is also arranged.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to Disclosure and Barring.

The Church has read the Charity Commission guidance on public benefit and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

#### **Achievements and performance**

The Church does not measure success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship and encouragement. The Trustees recognise that these are difficult to measure.

While the number in our Sunday morning services seems to remain rather the same, with the increase in new members offset by the few deaths of ageing members and some young couples moving out of Watford seeking a better buy in order to purchase their first house. During the pandemic lockdowns our worship ministry was maintained by the live-streaming of services as well as being posted on YouTube for later viewing, and this will continue in order to reach as wide an audience as possible.

We do have a sense of "mission" to our immediate geographical community – to show our love and interest in them. The Explorer Scouts joined our Remembrance Sunday service in November, and we have made a donation towards visits by the Saltmine Theatre Company to local schools in March.

# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

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As part of our ministry to and within the local community, we offer the use of our premises for reasonable fees to a variety of religious, community, educational, cultural and social groups. Many of the groups have been long-term users and have expressed satisfaction at the facilities provided.

The Church employs a full time, salaried Manager of House and Community who liaises with the Trustees and every user group and ensures that the facilities are well maintained and conform to public building regulations. A church member serves as a Watford Town Centre Chaplaincy chaplain to the staff at the Watford Borough Council offices.

We have been challenged by Jesus' words: "Seek first the Kingdom of God." Though we yearn to see our Baptist church grow, we also yearn to be facilitators for the growth of God's influence in our town. Recognising the great ethnic diversity in Watford, we have allowed four other independent Christian congregations to use our church halls on Sundays, and several others for their mid-week prayer services, so that now there are services in English, Portuguese, Romanian, Twi (a dialect spoken in Ghana and neighbouring countries), and a service with a very distinctive West Indies flavour every single Sunday. So, our church is moving in the direction of "becoming a house of prayer for all peoples."

We seek to work and pray with ever greater unity with the other Christian churches in Watford, through such venues as Churches Together and Christians Across Watford.

Our endeavour to work with other Christians extends beyond the immediate Watford area. Our outreach beyond our shores to show Christian love and compassion has been channelled through such agencies as the BMS World Mission, Christian Aid, the Shoe Box Appeal, and Operation Agri, among other outlets. We also made a donation to Ukraine via BMS World Mission.

The pandemic lockdowns had a big impact on income as approximately 75% comes from bookings of the sanctuary and meeting rooms. Since the last of the lockdown restrictions were relaxed in February 2022, bookings have increased and our income started to rise back to the previous level.

Planned evangelism events had been cancelled during the lockdowns, but it is hoped that evangelism events will resume.

### **Financial review**

The Church continues to raise the funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year.

The Church expressed its part in the life of the wider church by making donations to local, national and international Christian organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The financial results for the year, together with a summary of accounting policies adopted are set out in the accompanying financial statements.

The Statement of Financial Affairs shows the income and day to day running costs of the church. This account shows a surplus of £63,569 (2021: deficit £41,636).

The Balance Sheet shows the total resources of the church less our liabilities at the end of the financial year. This also includes an Endowment Fund of £12,500, which is the permanent endowment of the original Sutton Schools legacy. At the year end unrestricted funds were £171,240 (2021: £107,671).

The Trustees have made an assessment of the major risks facing the church and are satisfied that there are policies in place to minimize them.

The Trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

## **BEECHEN GROVE BAPTIST CHURCH TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Structure, governance and management**

The charity is governed by a Scheme of the Charity Commissioners dated 11 May 1998.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Rev'd James T Kirk (Resigned 30 April 2021)

Mr K Tondoneh

Mrs P Cox

Ms L da Costa Stateri (Resigned 31 May 2022)

Mrs E Mortimer

Mr K Adams

Ms M Bengco

Rev'd S Heard (Appointed 8 July 2022)

Members of the Church are accepted in accordance with the Constitution which requires them to be or to have been publicly baptised on the profession of faith in Jesus Christ or be accepted for full membership based on their own public profession of faith.

The normal Church Member's Meetings take place five times per year including the Annual General Meeting in October. These Member's Meetings have responsibility for the overall policy of the Church. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

In accordance with the Constitution, the members appoint Trustees, who serve for three years. Our Constitution states that Trustees/Deacons are eligible to be re-elected for a further three years, but must then stand down for a minimum of one year. The appointment of the Secretary and Treasurer are made annually. The Trustees together with the Minister, Church Secretary and Treasurer (who are also appointed by the members), collectively known as the Diaconate, are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. The election of Trustees, Secretary and Treasurer takes place at the Annual Church Meeting.

Relevant matters may be submitted to the Church Members' Meeting by the Trustees for guidance, or may be raised by members in the Church Meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church Members' Meetings by appropriate majorities, the Church Members seek to work by consensus wherever possible.

The Trustees' report was approved by the Board of Trustees.



Mr K Adams

Trustee

Dated: 16 October 2022

# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 MARCH 2022**

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Trustees are required to:

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

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

# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE TRUSTEES OF BEECHEN GROVE BAPTIST CHURCH TRUST**

---

I report to the Trustees on my examination of the financial statements of Beechen Grove Baptist Church Trust (the charity) for the year ended 31 March 2022.

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

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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

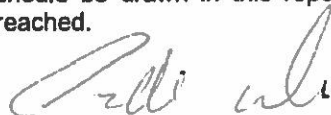
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



**John Wilson FCA ATII**

Howard Wilson Chartered Accountants  
36 Crown Rise  
Watford  
Hertfordshire  
WD25 0NE

Dated: 16 October 2022

# BEECHEN GROVE BAPTIST CHURCH TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

|                                                   | Notes | Unrestricted funds<br>2022<br>£ | Endowment funds<br>2022<br>£ | Total Unrestricted funds<br>2022<br>£ | Unrestricted funds<br>2021<br>£ | Endowment funds<br>2021<br>£ | Total<br>2021<br>£ |
|---------------------------------------------------|-------|---------------------------------|------------------------------|---------------------------------------|---------------------------------|------------------------------|--------------------|
| <b>Income and endowments from:</b>                |       |                                 |                              |                                       |                                 |                              |                    |
| Voluntary income including donations and legacies | 3     | 24,844                          | -                            | 24,844                                | 24,648                          | -                            | 24,648             |
| Income from charitable activities                 | 4     | 156,951                         | -                            | 156,951                               | 58,920                          | -                            | 58,920             |
| Investments                                       | 5     | 2,837                           | -                            | 2,837                                 | 3,935                           | -                            | 3,935              |
| Other income                                      | 6     | 405                             | -                            | 405                                   | 250                             | -                            | 250                |
| <b>Total Income</b>                               |       | <b>185,037</b>                  | <b>-</b>                     | <b>185,037</b>                        | <b>87,753</b>                   | <b>-</b>                     | <b>87,753</b>      |
| <b>Expenditure on:</b>                            |       |                                 |                              |                                       |                                 |                              |                    |
| Charitable activities                             | 7     | 121,610                         | -                            | 121,610                               | 127,387                         | -                            | 127,387            |
| Net gains/(losses) on investments                 | 11    | 142                             | -                            | 142                                   | (2,002)                         | -                            | (2,002)            |
| <b>Net movement in funds</b>                      |       | <b>63,569</b>                   | <b>-</b>                     | <b>63,569</b>                         | <b>(41,636)</b>                 | <b>-</b>                     | <b>(41,636)</b>    |
| Fund balances at 1 April 2021                     |       | 107,671                         | 12,500                       | 120,171                               | 149,307                         | 12,500                       | 161,807            |
| <b>Fund balances at 31 March 2022</b>             |       | <b>171,240</b>                  | <b>12,500</b>                | <b>183,740</b>                        | <b>107,671</b>                  | <b>12,500</b>                | <b>120,171</b>     |

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

All income and expenditure derive from continuing activities.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## BALANCE SHEET

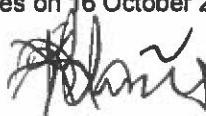
AS AT 31 MARCH 2022

|                                                       | Notes | 2022<br>£      | £              | 2021<br>£      | £              |
|-------------------------------------------------------|-------|----------------|----------------|----------------|----------------|
| <b>Fixed assets</b>                                   |       |                |                |                |                |
| Investments                                           | 13    |                | 88,659         |                | 88,517         |
| <b>Current assets</b>                                 |       |                |                |                |                |
| Debtors                                               | 15    | 20,909         |                | 12,931         |                |
| Cash at bank and in hand                              |       | 75,172         |                | 19,758         |                |
|                                                       |       | <u>96,081</u>  |                | <u>32,689</u>  |                |
| <b>Creditors: amounts falling due within one year</b> | 16    | <u>(1,000)</u> |                | <u>(1,035)</u> |                |
| <b>Net current assets</b>                             |       |                | 95,081         |                | 31,654         |
| <b>Total assets less current liabilities</b>          |       |                | <u>183,740</u> |                | <u>120,171</u> |
| <b>Capital funds</b>                                  |       |                |                |                |                |
| Endowment funds - general                             | 18    |                | 12,500         |                | 12,500         |
| <b>Income funds</b>                                   |       |                |                |                |                |
| <u>Unrestricted funds</u>                             |       |                |                |                |                |
| General unrestricted funds                            |       | 164,336        |                | 100,909        |                |
| Revaluation reserve                                   |       | <u>6,904</u>   |                | <u>6,762</u>   |                |
|                                                       |       |                | 171,240        |                | 107,671        |
|                                                       |       |                | <u>183,740</u> |                | <u>120,171</u> |

The financial statements were approved by the Trustees on 16 October 2022

*Elizabeth L Mortimer*

Mrs E Mortimer  
Trustee



Mr K Adams  
Trustee

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

#### Charity information

Beechen Grove Baptist Church Trust is an unincorporated charity.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investments and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### 1.5 Expenditure

The Church makes grants to other organisations whose charitable objectives complement its work. They are accounted for in the year in which they were paid.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Fund Raising

The church does not make formal appeals for funds and expenditure on these items are therefore not considered material.

#### 1.12 Fixed Assets

The Trustee of the Church land and premises is The Baptist Union Corporation Limited, which holds the freehold deeds on behalf of the Trust. The original cost of the land and buildings is unknown, and there are insufficient details of its current value. The insurance valuations are detailed in the notes to the accounts.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Voluntary income including donations and legacies

|                     | 2022          | 2021          |
|---------------------|---------------|---------------|
|                     | £             | £             |
| Donations and gifts | 12,987        | 17,196        |
| Envelope Scheme     | 760           | 975           |
| Other Offerings     | 8,013         | 838           |
| Income tax refund   | 3,084         | 4,639         |
| Legacies            | -             | 1,000         |
|                     | <u>24,844</u> | <u>24,648</u> |

### 4 Income from charitable activities

|                                   | 2022           | 2021          |
|-----------------------------------|----------------|---------------|
|                                   | £              | £             |
| Contributions for use of premises | <u>156,951</u> | <u>58,920</u> |

## BEECHEN GROVE BAPTIST CHURCH TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 5 Investments

|                                 | Unrestricted<br>funds | Unrestricted<br>funds |
|---------------------------------|-----------------------|-----------------------|
|                                 | 2022<br>£             | 2021<br>£             |
| Charinco Common Investment Fund | 2,837                 | 3,935                 |

#### 6 Other income

|              | Unrestricted<br>funds | Unrestricted<br>funds |
|--------------|-----------------------|-----------------------|
|              | 2022<br>£             | 2021<br>£             |
| Other income | 405                   | 250                   |

#### 7 Charitable activities

|                                          | 2022<br>£ | 2021<br>£ |
|------------------------------------------|-----------|-----------|
| Staff costs                              | 32,038    | 58,070    |
| Administration                           | 2,427     | 2,664     |
| Insurance                                | 10,111    | 9,401     |
| Premises costs                           | 50,665    | 33,757    |
| Manse expenses                           | 4,090     | 5,774     |
| Pastoral care                            | 4,941     | 2,674     |
| Resources                                | 317       | 73        |
| Telephone                                | 1,826     | 2,038     |
| Legal and professional costs             | 256       | 5,437     |
| Sundry expenses                          | 12,277    | 4,689     |
| Bank charges                             | 32        | 32        |
| Governance costs                         | 1,080     | 1,080     |
|                                          | 120,060   | 125,689   |
| Grant funding of activities (see note 8) | 1,550     | 1,698     |
|                                          | 121,610   | 127,387   |

Governance costs comprise independent examiner's fees of £1,080 (2021 - £1,080).

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 8 Grants payable

|                                  | 2022<br>£    | 2021<br>£    |
|----------------------------------|--------------|--------------|
| Grants to institutions:          |              |              |
| BMS World Mission                | 600          | 649          |
| CBA (Baptist Union Home Mission) | 600          | 649          |
| Other                            | 350          | 400          |
|                                  | <u>1,550</u> | <u>1,698</u> |

### 9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 10 Employees

#### Number of employees

The average monthly number of employees during the year was:

|                                   | 2022<br>Number | 2021<br>Number |
|-----------------------------------|----------------|----------------|
| Pastoral Care (Minister)          | 1              | 1              |
| Management of House and Community | 2              | 2              |
|                                   | <u>3</u>       | <u>3</u>       |

#### Employment costs

|                       | 2022<br>£     | 2021<br>£     |
|-----------------------|---------------|---------------|
| Wages and salaries    | 26,619        | 50,645        |
| Social security costs | -             | 241           |
| Other pension costs   | 5,419         | 7,184         |
|                       | <u>32,038</u> | <u>58,070</u> |

During the year, an amount was paid in relation to Pastoral Care (Minister) by way of a Stipend of £23,150 (2020: £24,650).

There were no employees whose annual remuneration was £60,000 or more.

**BEECHEN GROVE BAPTIST CHURCH TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**11 Net gains/(losses) on investments**

|                                    | Unrestricted funds | Unrestricted funds |
|------------------------------------|--------------------|--------------------|
|                                    | 2022               | 2021               |
|                                    | £                  | £                  |
| Revaluation of investments         | 142                | (2,080)            |
| Gain/(loss) on sale of investments | -                  | 78                 |
|                                    | <u>142</u>         | <u>(2,002)</u>     |

**12 Tangible fixed assets**

The Church occupies land and premises which are owned by The Baptist Union Corporation Limited for no value. The original cost of the land and buildings are unknown and there are insufficient details available to determine its current value.

The insurance values (as at September 2020) total £11,393,559. These were split accordingly:

|                 |             |
|-----------------|-------------|
| Church Premises | £10,941,096 |
| Manse           | £452,463    |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 13 Fixed asset investments

|                   | Listed<br>investments<br>£ |
|-------------------|----------------------------|
| Cost or valuation |                            |
| At 1 April 2021   | 88,517                     |
| Valuation changes | 142                        |
| At 31 March 2022  | 88,659                     |
| Carrying amount   |                            |
| At 31 March 2022  | 88,659                     |
| At 31 March 2021  | 88,517                     |

### 14 Financial Instruments

|                                                           | 2022<br>£ | 2021<br>£ |
|-----------------------------------------------------------|-----------|-----------|
| Carrying amount of financial assets                       |           |           |
| Instruments measured at fair value through profit or loss | 88,659    | 88,517    |

### 15 Debtors

|                                      | 2022<br>£ | 2021<br>£ |
|--------------------------------------|-----------|-----------|
| Amounts falling due within one year: |           |           |
| Trade debtors                        | 17,825    | 8,298     |
| Other debtors                        | 3,084     | 4,633     |
|                                      | 20,909    | 12,931    |

### 16 Creditors: amounts falling due within one year

|                              | 2022<br>£ | 2021<br>£ |
|------------------------------|-----------|-----------|
| Other creditors              | -         | 35        |
| Accruals and deferred income | 1,000     | 1,000     |
|                              | 1,000     | 1,035     |

### 17 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £5,419 (2021 - £1,206).

## BEECHEN GROVE BAPTIST CHURCH TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 17 Retirement benefit schemes

(Continued)

##### Defined benefit schemes

The church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme") which was known as the Baptist Ministers' Pension Fund until 31 December 2011 ("the Ministers' Fund"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Minister is eligible to join the Scheme, which is not contracted out of the State Second Pension(S2P).

The main benefits provided by the Ministers' Fund for service prior to 1 January 2012 are a Defined Benefit (DB) pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. From 1 January 2009 ministers paid 8% of their Pensionable Income and employer paid 16%. The Fund started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

From January 2012, pension provision was being made through Defined Contribution (DC) Plan within the Scheme. Members pay 8% and employers pay 16% of members Pensionable Income into individual accounts which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, the administration of the DC Plan, and an associated insurance policy which provides income protection for Scheme members in the event they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited.

A formal valuation of the Ministers' Fund was performed on 31 December 2010 by a professionally qualified Actuary using the Projected Unit method. The market value of the Fund's assets at the valuation date was £129,866,000.

The valuation of the Ministers' Fund revealed a deficit of assets compared with the value of liabilities of £69,700,000 (equivalent to a past service funding level of 65%). As a result of the valuation, in addition to contributions paid to the DC Plan set out above, deficiency contributions from employers to the Ministers' Fund (now the DB Plan within the Scheme) were set at 8.4% of Pensionable Income for 2012 and 11% of Pensionable Income from 2013 onwards. The Recovery Plan envisages deficiency contributions being required for 24 years.

##### Valuation

The financial assumptions underlying the valuations were as follows:

|                                                                     |       |
|---------------------------------------------------------------------|-------|
| Discount rate pre-retirement                                        | 5.70% |
| Discount rate post-retirement                                       | 4.55% |
| Rate of price inflation                                             | 3.70% |
| Rate of revaluation on deferred pensions accrued to 5 April 2009    | 3.70% |
| Rate of revaluation on deferred pensions accrued after 5 April 2009 | 2.50% |
| Rate of pension increases on benefits accrued to 5 April 2006       | 3.50% |
| Rate of pension increases on benefits accrued after 5 April 2006    | 2.30% |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 17 Retirement benefit schemes

(Continued)

As there is a large number of contributing employers participating in the Scheme, the church is unable to identify its share of the underlying assets and liabilities of the Scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable.

#### £33m additional cash contributions from BUGB

BUGB made contributions of £33m in December 2018 on behalf of the Baptist family in order to reduce the current deficit.

#### No change to the current employer deficit contributions

The large additional contributions from BUGB mean that the Scheme employers will see no increase in the deficit contributions under the new recovery plan. Deficit contributions for churches and other employers will not increase, other than to reflect any annual changes in the Minimum Pensionable Income.

The length of time for which deficit contributions must be paid, is reduced by 2½ years with contributions now due to finish in June 2026 rather than December 2028.

#### Amendments to Scheme member benefits

At the request of the Employers Group, as part of the overall Family Solution, the Pension Trustee has agreed that from January 2019 onwards, the annual increase to pensions in payment will use the Consumer Price Index (CPI) as the measure of inflation, rather than the Retail Price Index (RPI). This change is permitted within the scheme rules. RPI is now generally accepted as a flawed measure that typically overstates inflation, whereas CPI is calculated to an internationally recognised standard. Because CPI is typically lower than RPI, this change reduces the scheme deficit, by reducing the annual inflation increase paid to Scheme beneficiaries.

To partly offset the impact on scheme beneficiaries of the change from RPI to CPI, a number of other amendments to the scheme benefits have been agreed:

- an increase to that part of any pension in payment which was earned on service before 6th April 2006, of up to 1% in addition to CPI for each of the next 3 years, provided that CPI is less than RPI, and subject to the overall annual cap of 5% on increases contained within the scheme rules.
- an increase to the cap on annual increases for that part of any pension in payment which was earned on service on or after 6th April 2006, from 2.5% to 5% (this mirrors the cap on increases to pre 6th April 2006 pensions).
- the manse allowance (which has been frozen for a number of years) will increase in line with CPI inflation, benefitting active scheme members
- Deferred pensions will continue to rise in line with RPI (subject to the statutory 5% pa cumulative cap) as this is mandated by the scheme rules.

## BEECHEN GROVE BAPTIST CHURCH TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2022

#### 17 Retirement benefit schemes

(Continued)

##### Changes since the last valuation

A full valuation of the DB Plan takes place every three years. The estimated deficit as at 31 December 2019 was £18m. The deficit identified at the previous valuation, as at 31 December 2016, was £93m. There have been some positive developments over the three-year period which have led to this significant reduction in the deficit.

Regular deficit recovery contributions from churches and employers in the DB Plan over three years amounted to around £14m.

BUGB made a contribution of £33m in December 2018 as part of the Family Solution agreed under the previous valuation.

We have continued to collect additional payments (employer debts) from employers who leave the DB Plan.

Investment experience has been good, although this is largely offset by the continuing low levels of expected returns for the future.

The purchase of a bulk annuity contract in December 2019 was at a favourable price.

##### Movements in the deficit in 2020

There are two substantial developments coming into play since December 2019 that have an impact on DB Plan funding:

1. Although mitigated to some extent by the Trustee's relatively low-risk investment strategy, the Coronavirus pandemic has impacted financial markets and led to a reduction in the value of some DB Plan investments.

2. The Government is currently consulting on how and when to change how the Retail Prices Index (RPI) is calculated to bring it more into line with the, generally lower, Consumer Prices Index (CPI). We anticipate that this change will lead to a lower value for some of the RPI-linked assets held by the DB Plan. This impact is partially offset by an assumed reduction in the cost of providing deferred benefits which are revalued up to retirement in line with RPI.

The DB Plan's actual financial position moves daily with changes in financial market conditions. However, in the agreed deficit recovery contributions we have made an allowance for a £10m deterioration in the deficit since 31 December 2019 to take account of the current impact of the two items above.

##### Financial pressures on employers

BUGB recognised very early that some churches and employers would suffer significant financial loss because of being unable to meet or to rent out their premises during the Coronavirus lockdown. BPS circulated a survey to all employers in April to ascertain how extensive this was. Although the proportion of employers expecting to struggle over the short term was fairly low, BUGB and the Employers' Group were eager to offer some reduction since the effects are continuing.

We are not able to treat individual employers differently depending on their circumstances, so we have had to balance both the immediate needs of those churches under financial pressure and the longer term need to fully fund the DB Plan. We believe a 50% reduction for the six months from July to December 2020 achieves this balance.

The reduction will happen automatically, you do not need to take any action. Deficit recovery contributions from January 2021 will then return to the full level, including the normal inflationary increase for 2021. Please note that your contributions to the DC Plan for any ongoing members of BPS will continue at their full rate. This reduction only applies to the DB Plan deficit recovery contributions.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 17 Retirement benefit schemes

(Continued)

BUGB's Coronavirus financial support scheme remains open for applications from employers in particular need.

To support the DB Plan's reduced income over 2020, BUGB has agreed to bring forward a payment of £0.5m that it was due to make by the end of 2023. It will now be paid by the end of 2020.

How long will deficit recovery contributions be required for?

Our forecast at this time is that contributions will need to continue until June 2026. This is two and a half years earlier than the expectation at the previous valuation.

In practice, nobody can say for certain how long contributions will need to continue. To give a sense of the scale, a swing of just 1% in the value of the liabilities changes the deficit by around £3m, which equates to around 8 months of deficit contributions. The next full actuarial valuation will take place as at 31 December 2022, but the Trustee and the Employers' Group are continuing to look at ways to manage down the DB Plan's deficit and risk exposure.

#### Looking ahead

Our long-term objective is to reach a position where the DB Plan no longer requires contributions from the employers and there are no exit debts when employers leave. That involves more than just clearing the valuation deficit as it requires enough assets to cover full solvency (the cost of buying-out all the benefits with an insurer) and the removal of the risk of bad experience causing a deficit to come back. We are not there yet, but it is good that we are moving in the right direction.

Finally, during the volatile market conditions earlier in the year we suspended calculation of the monthly employer debt estimates on the 4mystaff portal. This resumed from July 2020.

#### 2022 Buy-In and Reduced Deficit Contributions

The funding of the Defined Benefit (DB) part of the Baptist Pension Scheme has improved to the point where a buy-in with an insurance company has been carried out as a first stage to buying-out the DB which will ensure pensions will continue to be paid whilst removing risk from the Baptist family.

At the end of June 2022, the Baptist Pension Scheme signed an agreement with the insurance company Just Group ('Just') to secure members' pension benefits under the Defined Benefit ('DB') Plan. This agreement is referred to as a 'buy-in policy'. It follows a similar agreement with Just in 2019 that covered most pensions in payment at that time. The combined agreements mean that Just are now providing financial backing for all DB pensions provided through the Scheme's DB Plan.

The cost of such policies is largely driven by financial markets and these have moved substantially in the Scheme's favour, particularly over the course of the last few months. As a result, this transaction takes the Scheme out of a shortfall position for the first time in two decades. Although risks remain, the Baptist Union and the Trustee of the Scheme have agreed that deficit contributions from each participating employer in the DB Plan will reduce to just £1 per month from August 2022.

**BEECHEN GROVE BAPTIST CHURCH TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**18 Endowment funds**

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

|                             | Balance at<br>1 April 2020 | Movement in funds |          |          | Balance at<br>1 April 2021 | Incoming<br>Resources | Movement in funds     |                                |                                     | Balance at<br>31 March 2022 |
|-----------------------------|----------------------------|-------------------|----------|----------|----------------------------|-----------------------|-----------------------|--------------------------------|-------------------------------------|-----------------------------|
|                             |                            | £                 | £        | £        |                            |                       | Resources<br>Expended | Gains, Losses<br>and Transfers | Revaluations<br>gains and<br>losses |                             |
| <b>Permanent endowments</b> |                            |                   |          |          |                            |                       |                       |                                |                                     |                             |
| Sutton Road Fund            | 12,500                     | -                 | -        | -        | 12,500                     | -                     | -                     | -                              | -                                   | 12,500                      |
|                             | <u>12,500</u>              | <u>-</u>          | <u>-</u> | <u>-</u> | <u>12,500</u>              | <u>-</u>              | <u>-</u>              | <u>-</u>                       | <u>-</u>                            | <u>12,500</u>               |

The endowment fund comprises funds relating to the former Sutton Road School. The land was conveyed to former Trustees for use as a school and for the promotion of such religious, philanthropic or other purposes as the Minister and Deacons (Trustees) for the time being of Beechen Grove Baptist Chapel (now Beechen Grove Baptist Church) should from time to time direct. During the 1960s, the Trustees at the time directed that the school building was to be sold. Under the terms of the deeds the capital was to remain a permanent endowment, but the Trustees can use the interest on that capital for philanthropic or other purposes. The Sutton Road Fund was administered as a separate charity. In 1997, the Trustees at the time directed that the Sutton Road Fund and two other small charities were to be combined into the present registered charity. The amalgamation of these charities was completed in 1998. This amount is invested in Charinco Common Investment Fund. The permanent endowment of £12,500 is invested in Charinco. In common with most endowment funds, the charity is only able to use the interest earned, leaving the capital element untouched. Special application would have to be made before the capital could be released.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 19 Analysis of net assets between funds

|                                                    | Unrestricted<br>Funds<br>£ | Endowment<br>Fund<br>£ | Total<br>£     |
|----------------------------------------------------|----------------------------|------------------------|----------------|
| Fund balances at 31 March 2022 are represented by: |                            |                        |                |
| Investments                                        | 88,659                     | -                      | 88,659         |
| Current assets/(liabilities)                       | 82,581                     | 12,500                 | 95,081         |
|                                                    | <u>171,240</u>             | <u>12,500</u>          | <u>183,740</u> |

|                                                    | Unrestricted<br>Funds<br>£ | Endowment<br>Fund<br>£ | Total<br>£     |
|----------------------------------------------------|----------------------------|------------------------|----------------|
| Fund balances at 31 March 2021 are represented by: |                            |                        |                |
| Investments                                        | 88,517                     | -                      | 88,517         |
| Current assets/(liabilities)                       | 19,154                     | 12,500                 | 31,654         |
|                                                    | <u>107,671</u>             | <u>12,500</u>          | <u>120,171</u> |

### 20 Related party transactions

The custodian Trustee of the church is the Baptist Union Corporation Limited (Charity No. 249635), which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the Central Baptist Association.

The church made a grant to the Baptist Union Home Mission Scheme as set out in note 8.



**BEECHEN GROVE BAPTIST CHURCH TRUST**

England & Wales - Charity number 1070890

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# Accounts

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Charity Registration No. 1070890

**BEECHEN GROVE BAPTIST CHURCH TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# BEECHEN GROVE BAPTIST CHURCH TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                             |                                                                                                                      |                                                             |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <b>Trustees</b>             | Mr K Tondoneh<br>Mrs P Cox<br>Ms L da Costa Stateri<br>Mrs E Mortimer<br>Mr K Adams<br>Ms M Bengco                   |                                                             |
| <b>Church Secretary</b>     | Mrs Elizabeth Mortimer                                                                                               |                                                             |
| <b>Minister</b>             | Rev'd James Kirk                                                                                                     | (Retired 30 April 2021)                                     |
| <b>Treasurer</b>            | Mr Kelvin Adams<br>Ms Lidia da Costa Stateri                                                                         | (Appointed 22 November 2020)<br>(Resigned 22 November 2020) |
| <b>Charity number</b>       | 1070890                                                                                                              |                                                             |
| <b>Principal address</b>    | Clarendon Road<br>Watford<br>Hertfordshire<br>WD17 1JJ                                                               |                                                             |
| <b>Independent examiner</b> | John Wilson FCA ATII<br>Howard Wilson Chartered Accountants<br>36 Crown Rise<br>Watford<br>Hertfordshire<br>WD25 0NE |                                                             |
| <b>Bankers</b>              | Barclays Bank Plc,<br>62/64 High Street<br>Watford<br>Hertfordshire<br>WD17 2BT                                      |                                                             |

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# **BEECHEN GROVE BAPTIST CHURCH TRUST**

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# BEECHEN GROVE BAPTIST CHURCH TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2021

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The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

The Charity is governed by an Approved Governing Document which states that the principal purpose of the Charity is to further the religious and other charitable work of Beechen Grove Baptist Church and the maintenance and repair of the fabric of the listed Church building and other Church property.

The Church occupies premises which are held by the Baptist Union Corporation Ltd on Trusts which are entirely compatible with the above object.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In order to achieve the principal objective which is set out above, the Church provides a variety of activities to both its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people to a closer relationship with Him as a living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These take place each Sunday at 10.30 a.m. There are also occasional services at other times which are advertised on the church notice board, the local media and the website at [bgbaptist.org.uk](http://bgbaptist.org.uk). There is also a children's programme during the morning service. The Church seeks to be a friendly and welcoming community and anyone is free to attend any of these services.

The Church holds a weekly prayer meeting, details of which can be obtained at the Sunday services of worship and a bible or book study is also arranged.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to Disclosure and Barring.

The Church has read the Charity Commission guidance on public benefit and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

#### **Achievements and performance**

The Church does not measure success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship and encouragement. The Trustees recognise that these are difficult to measure.

While the number in our Sunday morning services seems to remain rather the same, with the increase in new members offset by the few deaths of ageing members and some young couples moving out of Watford seeking a better buy in order to purchase their first house. During the pandemic lockdowns when churches were closed to public worship it was decided to maintain our worship ministry by the purchase of a higher specification video camera so that services with a limited number of people taking part could be live-streamed as well as posted on YouTube for later viewing.

We do have a sense of "mission" to our immediate geographical community – to show our love and interest in them. In former years, the Explorer Scouts and Liberty Theatre group have joined our Remembrance Sunday service in November, and we have funded two visits by the Saltmine Theatre to two local schools in March. The lockdowns due to the pandemic resulted in these events not being able to take place, and we hope to resume these in 2021/22.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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As part of our ministry to and within the local community, we offer the use of our premises for reasonable fees to a variety of religious, community, educational, cultural and social groups. Many of the groups have been long-term users and have expressed satisfaction at the facilities provided.

The Church employs a full time, salaried Manager of House and Community who liaises with the Trustees and every user group and ensures that the facilities are well maintained and conform to public building regulations. A church member serves as a Watford Town Centre Chaplaincy chaplain to the staff at the Watford Borough Council offices.

We have been challenged by Jesus' words: "Seek first the Kingdom of God." Though we yearn to see our Baptist church grow, we also yearn to be facilitators for the growth of God's influence in our town. Recognising the great ethnic diversity in Watford, we have allowed four other independent Christian congregations to use our church halls on Sundays, and several others for their mid-week prayer services, so that now there are services in English, Portuguese, Romanian, Twi (a dialect spoken in Ghana and neighbouring countries), and a service with a very distinctive West Indies flavour every single Sunday. So, our church is moving in the direction of "becoming a house of prayer for all peoples."

We seek to work and pray with ever greater unity with the other Christian churches in Watford, through such venues as Churches Together and Christians Across Watford. During the times of lockdown these activities have been all but non-existent, but we hope that as restrictions are relaxed they can be resumed as before.

Our endeavour to work with other Christians extends beyond the immediate Watford area. Our outreach beyond our shores to show Christian love and compassion has been channelled through such agencies as the Baptist Missionary Society, Christian Aid, the Shoe Box Appeal, and Operation Agri, among other outlets.

The lockdown has had a big impact on income as approximately 75% comes from bookings of the sanctuary and meeting rooms. This income disappeared when the first lockdown started and has only just started to increase from September 2020. There were also increased costs relating to the purchase of hygiene products, such as hand sanitisers, and signs to comply with the government rules allowing places of worship to reopen from 4 July 2020. This loss of income also resulted in the redundancy of a paid youth worker as this was no longer financially viable. Watford was placed in Tier 4 Covid-19 restrictions on 20 December 2020 resulting in the loss of income from non-worship groups which were not allowed to meet indoors.

Planned evangelism events, such as 'Arise' evangelism training sessions and outreach due to take place in June and July 2020, were cancelled. As for other activities above, it is hoped that evangelism events will resume once the pandemic restrictions are relaxed.

#### Financial review

The Church continues to raise the funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year.

The Church expressed its part in the life of the wider church by making donations to local, national and international Christian organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The financial results for the year, together with a summary of accounting policies adopted are set out in the accompanying financial statements.

The Statement of Financial Affairs shows the income and day to day running costs of the church. This account shows a deficit of £41,636 (2020: surplus £39,658).

The Balance Sheet shows the total resources of the church less our liabilities at the end of the financial year. This also includes an Endowment Fund of £12,500, which is the permanent endowment of the original Sutton Schools legacy. At the year end unrestricted funds were £107,671 (2020: £149,307).

The Trustees have made an assessment of the major risks facing the church and are satisfied that there are policies in place to minimize them.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Structure, governance and management**

The charity is governed by a Scheme of the Charity Commissioners dated 11 May 1998.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Rev'd James T Kirk

(Resigned 30 April 2021)

Mr K Tondoneh

Mrs P Cox

Ms L da Costa Stateri

Mrs E Mortimer

Mrs H Paspula

(Resigned 18 October 2020)

Mr K Adams

Ms M Bengco

(Appointed 22 November 2020)

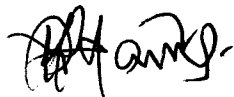
Members of the Church are accepted in accordance with the Constitution which requires them to be or to have been publicly baptised on the profession of faith in Jesus Christ or be accepted for full membership based on their own public profession of faith.

The normal Church Member's Meetings take place five times per year including the Annual General Meeting in October. These Member's Meetings have responsibility for the overall policy of the Church. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

In accordance with the Constitution, the members appoint Trustees, who serve for three years. Our Constitution states that Trustees/Deacons are eligible to be re-elected for a further three years, but must then stand down for a minimum of one year. The appointment of the Secretary and Treasurer are made annually. The Trustees together with the Minister, Church Secretary and Treasurer (who are also appointed by the members), collectively known as the Diaconate, are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. The election of Trustees, Secretary and Treasurer takes place at the Annual Church Meeting.

Relevant matters may be submitted to the Church Members' Meeting by the Trustees for guidance, or may be raised by members in the Church Meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church Members' Meetings by appropriate majorities, the Church Members seek to work by consensus wherever possible.

The Trustees' report was approved by the Board of Trustees.



**Mr K Adams**

Trustee

Dated: 17 October 2021

# **BEECHEN GROVE BAPTIST CHURCH TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2021***

---

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Trustees are required to:

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

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

# BEECHEN GROVE BAPTIST CHURCH TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF BEECHEN GROVE BAPTIST CHURCH TRUST

---

I report to the Trustees on my examination of the financial statements of Beechen Grove Baptist Church Trust (the charity) for the year ended 31 March 2021.

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

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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

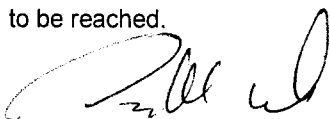
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



John Wilson FCAATII

Howard Wilson Chartered Accountants  
36 Crown Rise  
Watford  
Hertfordshire  
WD25 0NE

Dated: 17 October 2021

# BEECHEN GROVE BAPTIST CHURCH TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

|                                                   | Notes | Unrestricted funds<br>2021<br>£ | Endowment funds<br>2021<br>£ | Total<br>2021<br>£ | Unrestricted funds<br>2020<br>£ | Endowment funds<br>2020<br>£ | Total<br>2020<br>£ |
|---------------------------------------------------|-------|---------------------------------|------------------------------|--------------------|---------------------------------|------------------------------|--------------------|
| <b><u>Income and endowments from:</u></b>         |       |                                 |                              |                    |                                 |                              |                    |
| Voluntary income including donations and legacies | 3     | 24,648                          | -                            | 24,648             | 36,421                          | -                            | 36,421             |
| Income from charitable activities                 | 4     | 58,920                          | -                            | 58,920             | 178,640                         | -                            | 178,640            |
| Investments                                       | 5     | 3,935                           | -                            | 3,935              | 3,324                           | -                            | 3,324              |
| Other income                                      | 6     | 250                             | -                            | 250                | 1,193                           | -                            | 1,193              |
| <b>Total income</b>                               |       | <b>87,753</b>                   | <b>-</b>                     | <b>87,753</b>      | <b>219,578</b>                  | <b>-</b>                     | <b>219,578</b>     |
| <b><u>Expenditure on:</u></b>                     |       |                                 |                              |                    |                                 |                              |                    |
| Charitable activities                             | 7     | 127,387                         | -                            | 127,387            | 180,864                         | -                            | 180,864            |
| Net gains/(losses) on investments                 | 11    | (2,002)                         | -                            | (2,002)            | 944                             | -                            | 944                |
| <b>Net movement in funds</b>                      |       | <b>(41,636)</b>                 | <b>-</b>                     | <b>(41,636)</b>    | <b>39,658</b>                   | <b>-</b>                     | <b>39,658</b>      |
| Fund balances at 1 April 2020                     |       | 149,307                         | 12,500                       | 161,807            | 109,649                         | 12,500                       | 122,149            |
| <b>Fund balances at 31 March 2021</b>             |       | <b>107,671</b>                  | <b>12,500</b>                | <b>120,171</b>     | <b>149,307</b>                  | <b>12,500</b>                | <b>161,807</b>     |

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

All income and expenditure derive from continuing activities.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## BALANCE SHEET

AS AT 31 MARCH 2021

|                                                       | Notes | 2021<br>£     | £              | 2020<br>£     | £              |
|-------------------------------------------------------|-------|---------------|----------------|---------------|----------------|
| <b>Fixed assets</b>                                   |       |               |                |               |                |
| Investments                                           | 13    |               | 88,517         |               | 100,520        |
| <b>Current assets</b>                                 |       |               |                |               |                |
| Debtors                                               | 15    | 12,931        |                | 25,833        |                |
| Cash at bank and in hand                              |       | 19,758        |                | 36,524        |                |
|                                                       |       | <u>32,689</u> |                | <u>62,357</u> |                |
| <b>Creditors: amounts falling due within one year</b> | 16    | (1,035)       |                | (1,070)       |                |
| Net current assets                                    |       |               | 31,654         |               | 61,287         |
| <b>Total assets less current liabilities</b>          |       |               | <u>120,171</u> |               | <u>161,807</u> |
| <b>Capital funds</b>                                  |       |               |                |               |                |
| Endowment funds - general                             | 18    |               | 12,500         |               | 12,500         |
| <b>Income funds</b>                                   |       |               |                |               |                |
| <u>Unrestricted funds</u>                             |       |               |                |               |                |
| General unrestricted funds                            |       | 100,909       |                | 139,496       |                |
| Revaluation reserve                                   |       | <u>6,762</u>  |                | <u>9,811</u>  |                |
|                                                       |       |               | 107,671        |               | 149,307        |
|                                                       |       |               | <u>120,171</u> |               | <u>161,807</u> |

The financial statements were approved by the Trustees on 17 October 2021

Mrs E Mortimer  
Trustee

*Elizabeth L Mortimer*

Mr K Adams  
Trustee

*K Adams*

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 MARCH 2021*

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### 1 Accounting policies

#### Charity information

Beechen Grove Baptist Church Trust is an unincorporated charity.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investments and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, despite the ongoing and potential effects of COVID-19, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees continue to adopt the going concern basis of accounting in preparing the financial statements and no adjustments to the results or the carrying values declared in these financial statements are required, and none have been made.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### 1.5 Expenditure

The Church makes grants to other organisations whose charitable objectives complement its work. They are accounted for in the year in which they were paid.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies (Continued)

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Fund Raising

The church does not make formal appeals for funds and expenditure on these items are therefore not considered material.

#### 1.12 Fixed Assets

The Trustee of the Church land and premises is The Baptist Union Corporation Limited, which holds the freehold deeds on behalf of the Trust. The original cost of the land and buildings is unknown, and there are insufficient details of its current value. The insurance valuations are detailed in the notes to the accounts.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Voluntary income including donations and legacies

|                     | 2021          | 2020          |
|---------------------|---------------|---------------|
|                     | £             | £             |
| Donations and gifts | 17,196        | 16,947        |
| Envelope Scheme     | 975           | 3,430         |
| Other Offerings     | 838           | 3,697         |
| Income tax refund   | 4,639         | 7,347         |
| Legacies            | 1,000         | 5,000         |
|                     | <u>24,648</u> | <u>36,421</u> |

### 4 Income from charitable activities

|                                   | 2021          | 2020           |
|-----------------------------------|---------------|----------------|
|                                   | £             | £              |
| Contributions for use of premises | <u>58,920</u> | <u>178,640</u> |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 5 Investments

|                                 | Unrestricted<br>funds | Unrestricted<br>funds |
|---------------------------------|-----------------------|-----------------------|
|                                 | 2021                  | 2020                  |
|                                 | £                     | £                     |
| Charinco Common Investment Fund | 3,935                 | 3,324                 |

### 6 Other income

|              | Unrestricted<br>funds | Unrestricted<br>funds |
|--------------|-----------------------|-----------------------|
|              | 2021                  | 2020                  |
|              | £                     | £                     |
| Other income | 250                   | 1,193                 |

### 7 Charitable activities

|                                          | 2021    | 2020    |
|------------------------------------------|---------|---------|
|                                          | £       | £       |
| Staff costs                              | 58,070  | 71,997  |
| Administration                           | 2,664   | 2,506   |
| Insurance                                | 9,401   | 9,063   |
| Premises costs                           | 33,757  | 56,571  |
| Manse expenses                           | 5,774   | 5,709   |
| Pastoral care                            | 2,674   | 5,312   |
| Resources                                | 73      | 3,341   |
| Telephone                                | 2,038   | 2,035   |
| Legal and professional costs             | 5,437   | 592     |
| Sundry expenses                          | 4,689   | 6,568   |
| Bank charges                             | 32      | 66      |
| Governance costs                         | 1,080   | 1,080   |
|                                          | 125,689 | 164,840 |
| Grant funding of activities (see note 8) | 1,698   | 16,024  |
|                                          | 127,387 | 180,864 |

Governance costs comprise independent examiner's fees of £1,080 (2020 - £1,080).

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 8 Grants payable

|                                  | 2021<br>£    | 2020<br>£     |
|----------------------------------|--------------|---------------|
| Grants to institutions:          |              |               |
| BMS World Mission                | 649          | 4,752         |
| CBA (Baptist Union Home Mission) | 649          | 4,752         |
| Other                            | 400          | 6,520         |
|                                  | <u>1,698</u> | <u>16,024</u> |

### 9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 10 Employees

#### Number of employees

The average monthly number of employees during the year was:

|                                   | 2021<br>Number | 2020<br>Number |
|-----------------------------------|----------------|----------------|
| Pastoral Care (Minister)          | 1              | 1              |
| Management of House and Community | 2              | 3              |
|                                   | <u>3</u>       | <u>4</u>       |

#### Employment costs

|                       | 2021<br>£     | 2020<br>£     |
|-----------------------|---------------|---------------|
| Wages and salaries    | 50,645        | 63,327        |
| Social security costs | 241           | 1,139         |
| Other pension costs   | 7,184         | 7,531         |
|                       | <u>58,070</u> | <u>71,997</u> |

During the year, an amount was paid in relation to Pastoral Care (Minister) by way of a Stipend of £23,150 (2020: £24,650).

There were no employees whose annual remuneration was £60,000 or more.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 11 Net gains/(losses) on investments

|                                    | Unrestricted<br>funds | Unrestricted<br>funds |
|------------------------------------|-----------------------|-----------------------|
|                                    | 2021                  | 2020                  |
|                                    | £                     | £                     |
| Revaluation of investments         | (2,080)               | 944                   |
| Gain/(loss) on sale of investments | 78                    | -                     |
|                                    | <u>(2,002)</u>        | <u>944</u>            |

### 12 Tangible fixed assets

The Church occupies land and premises which are owned by The Baptist Union Corporation Limited for no value. The original cost of the land and buildings are unknown and there are insufficient details available to determine its current value.

The insurance values (as at September 2020) total £11,393,559. These were split accordingly:

|                 |             |
|-----------------|-------------|
| Church Premises | £10,941,096 |
| Manse           | £452,463    |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 13 Fixed asset investments

|                          | Listed<br>investments<br>£ |
|--------------------------|----------------------------|
| <b>Cost or valuation</b> |                            |
| At 1 April 2020          | 100,520                    |
| Valuation changes        | (2,080)                    |
| Disposals                | (9,923)                    |
|                          | <hr/>                      |
| At 31 March 2021         | 88,517                     |
|                          | <hr/>                      |
| <b>Carrying amount</b>   |                            |
| At 31 March 2021         | 88,517                     |
|                          | <hr/>                      |
| At 31 March 2020         | 100,520                    |
|                          | <hr/>                      |

| 14 Financial instruments                                  | 2021<br>£ | 2020<br>£ |
|-----------------------------------------------------------|-----------|-----------|
| <b>Carrying amount of financial assets</b>                |           |           |
| Instruments measured at fair value through profit or loss | 88,517    | 100,520   |
|                                                           | <hr/>     | <hr/>     |

| 15 Debtors                                  | 2021<br>£ | 2020<br>£ |
|---------------------------------------------|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 8,298     | 12,396    |
| Other debtors                               | 4,633     | 7,329     |
| Prepayments and accrued income              | -         | 6,108     |
|                                             | <hr/>     | <hr/>     |
|                                             | 12,931    | 25,833    |
|                                             | <hr/>     | <hr/>     |

| 16 Creditors: amounts falling due within one year | 2021<br>£ | 2020<br>£ |
|---------------------------------------------------|-----------|-----------|
| Other taxation and social security                | -         | 70        |
| Other creditors                                   | 35        | -         |
| Accruals and deferred income                      | 1,000     | 1,000     |
|                                                   | <hr/>     | <hr/>     |
|                                                   | 1,035     | 1,070     |
|                                                   | <hr/>     | <hr/>     |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 17 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £1,206 (2020 - £370).

#### Defined benefit schemes

The church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme") which was known as the Baptist Ministers' Pension Fund until 31 December 2011 ("the Ministers' Fund"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Minister is eligible to join the Scheme, which is not contracted out of the State Second Pension(S2P).

The main benefits provided by the Ministers' Fund for service prior to 1 January 2012 are a Defined Benefit (DB) pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. From 1 January 2009 ministers paid 8% of their Pensionable Income and employer paid 16%. The Fund started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

From January 2012, pension provision was being made through Defined Contribution (DC) Plan within the Scheme. Members pay 8% and employers pay 16% of members Pensionable Income into individual accounts which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, the administration of the DC Plan, and an associated insurance policy which provides income protection for Scheme members in the event they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited.

A formal valuation of the Ministers' Fund was performed on 31 December 2010 by a professionally qualified Actuary using the Projected Unit method. The market value of the Fund's assets at the valuation date was £129,866,000.

The valuation of the Ministers' Fund revealed a deficit of assets compared with the value of liabilities of £69,700,000 (equivalent to a past service funding level of 65%). As a result of the valuation, in addition to contributions paid to the DC Plan set out above, deficiency contributions from employers to the Ministers' Fund (now the DB Plan within the Scheme) were set at 8.4% of Pensionable Income for 2012 and 11% of Pensionable Income from 2013 onwards. The Recovery Plan envisages deficiency contributions being required for 24 years.

#### Valuation

The financial assumptions underlying the valuations were as follows:

|                                                                     |       |
|---------------------------------------------------------------------|-------|
| Discount rate pre-retirement                                        | 5.70% |
| Discount rate post-retirement                                       | 4.55% |
| Rate of price inflation                                             | 3.70% |
| Rate of revaluation on deferred pensions accrued to 5 April 2009    | 3.70% |
| Rate of revaluation on deferred pensions accrued after 5 April 2009 | 2.50% |
| Rate of pension increases on benefits accrued to 5 April 2006       | 3.50% |
| Rate of pension increases on benefits accrued after 5 April 2006    | 2.30% |

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 17 Retirement benefit schemes

(Continued)

As there is a large number of contributing employers participating in the Scheme, the church is unable to identify its share of the underlying assets and liabilities of the Scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the church in 2019-20 was £7,160 (in 2018-19 - £7,000).

#### £33m additional cash contributions from BUGB

BUGB made a contributions of £33m in December 2018 on behalf of the Baptist family in order to reduce the current deficit.

#### No change to the current employer deficit contributions

The large additional contributions from BUGB mean that the Scheme employers will see no increase in the deficit contributions under the new recovery plan. Deficit contributions for churches and other employers will not increase, other than to reflect any annual changes in the Minimum Pensionable Income.

The length of time for which deficit contributions must be paid, is reduced by 2½ years with contributions now due to finish in June 2026 rather than December 2028 .

#### Amendments to Scheme member benefits

At the request of the Employers Group, as part of the overall Family Solution, the Pension Trustee has agreed that from January 2019 onwards, the annual increase to pensions in payment will use the Consumer Price Index (CPI) as the measure of inflation, rather than the Retail Price Index (RPI). This change is permitted within the scheme rules. RPI is now generally accepted as a flawed measure that typically overstates inflation, whereas CPI is calculated to an internationally recognised standard. Because CPI is typically lower than RPI, this change reduces the scheme deficit, by reducing the annual inflation increase paid to Scheme beneficiaries.

To partly offset the impact on scheme beneficiaries of the change from RPI to CPI, a number of other amendments to the scheme benefits have been agreed:

- an increase to that part of any pension in payment which was earned on service before 6th April 2006, of up to 1% in addition to CPI for each of the next 3 years, provided that CPI is less than RPI, and subject to the overall annual cap of 5% on increases contained within the scheme rules.
- an increase to the cap on annual increases for that part of any pension in payment which was earned on service on or after 6th April 2006, from 2.5% to 5% (this mirrors the cap on increases to pre 6th April 2006 pensions).
- the manse allowance (which has been frozen for a number of years) will increase in line with CPI inflation, benefitting active scheme members
- Deferred pensions will continue to rise in line with RPI (subject to the statutory 5% pa cumulative cap) as this is mandated by the scheme rules.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 17 Retirement benefit schemes

(Continued)

#### The 2019 Valuation

The estimated deficit as at 31st December 2019 is £18m, a decrease of £75m on the £93m at the previous valuation. This allows for the benefit changes listed in point 4 above. There have been some positive developments over the three-year period which have led to this significant reduction in the deficit.

- Regular deficit recovery contributions from churches and employers in the DB Plan over three years amounted to around £14m.
- BUGB made a contribution of £33m in December 2018 as part of the Family Solution agreed under the previous valuation.
- Additional payments have been collected from employers who leave the DB Plan.
- Investment experience has been good, although this is largely offset by the continuing low levels of expected returns for the future.
- The purchase of a bulk annuity contract in December 2019 was at a favourable price.

#### Movements in the deficit in 2020

There are two substantial developments coming into play since December 2019 that have an impact on DB Plan funding:

- Although mitigated to some extent by the Trustee's relatively low-risk investment strategy, the Coronavirus pandemic has impacted financial markets and led to a reduction in the value of some DB Plan investments.
- The Government is currently consulting on how and when to change how the Retail Prices Index (RPI) is calculated to bring it more into line with the, generally lower, Consumer Prices Index (CPI). We anticipate that this change will lead to a lower value for some of the RPI-linked assets held by the DB Plan. This impact is partially offset by an assumed reduction in the cost of providing deferred benefits which are revalued up to retirement in line with RPI.

The DB Plan's actual financial position moves daily with changes in financial market conditions. However, in the agreed deficit recovery contributions we have made an allowance for a £10m deterioration in the deficit since 31 December 2019 to take account of the current impact of the two items above.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 18 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

|                             | Balance at<br>1 April 2019<br>£ | Movement in funds          |                            |                                          | Balance at<br>1 April 2020<br>£ | Movement in funds          |                            |                                          | Balance at<br>31 March 2021<br>£ |
|-----------------------------|---------------------------------|----------------------------|----------------------------|------------------------------------------|---------------------------------|----------------------------|----------------------------|------------------------------------------|----------------------------------|
|                             |                                 | Incoming<br>Resources<br>£ | Resources<br>Expended<br>£ | Revaluations<br>gains and<br>losses<br>£ |                                 | Incoming<br>Resources<br>£ | Resources<br>Expended<br>£ | Revaluations<br>gains and<br>losses<br>£ |                                  |
| <b>Permanent endowments</b> |                                 |                            |                            |                                          |                                 |                            |                            |                                          |                                  |
| Sutton Road<br>Fund         | 12,500                          | -                          | -                          | -                                        | 12,500                          | -                          | -                          | -                                        | 12,500                           |
|                             | 12,500                          | -                          | -                          | -                                        | 12,500                          | -                          | -                          | -                                        | 12,500                           |

The endowment fund comprises funds relating to the former Sutton Road School. The land was conveyed to former Trustees for use as a school and for the promotion of such religious, philanthropic or other purposes as the Minister and Deacons (Trustees) for the time being of Beechen Grove Baptist Chapel (now Beechen Grove Baptist Church) should from time to time direct. During the 1960s, the Trustees at the time directed that the school building was to be sold. Under the terms of the deeds the capital was to remain a permanent endowment, but the Trustees can use the interest on that capital for philanthropic or other purposes. The Sutton Road Fund was administered as a separate charity. In 1997, the Trustees at the time directed that the Sutton Road Fund and two other small charities were to be combined into the present registered charity. The amalgamation of these charities was completed in 1998. This amount is invested in Charinco Common Investment Fund. The permanent endowment of £12,500 is invested in Charinco. In common with most endowment funds, the charity is only able to use the interest earned, leaving the capital element untouched. Special application would have to be made before the capital could be released.

# BEECHEN GROVE BAPTIST CHURCH TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 19 Analysis of net assets between funds

|                                                    | Unrestricted<br>Funds<br>£ | Endowment<br>Fund<br>£ | Total<br>£     |
|----------------------------------------------------|----------------------------|------------------------|----------------|
| Fund balances at 31 March 2021 are represented by: |                            |                        |                |
| Investments                                        | 88,517                     | -                      | 88,517         |
| Current assets/(liabilities)                       | 19,154                     | 12,500                 | 31,654         |
|                                                    | <u>107,671</u>             | <u>12,500</u>          | <u>120,171</u> |

|                                                    | Unrestricted<br>Funds<br>£ | Endowment<br>Fund<br>£ | Total<br>£     |
|----------------------------------------------------|----------------------------|------------------------|----------------|
| Fund balances at 31 March 2020 are represented by: |                            |                        |                |
| Investments                                        | 100,520                    | -                      | 100,520        |
| Current assets/(liabilities)                       | 48,787                     | 12,500                 | 61,287         |
|                                                    | <u>149,307</u>             | <u>12,500</u>          | <u>161,807</u> |

### 20 Related party transactions

The custodian Trustee of the church is the Baptist Union Corporation Limited (Charity No. 249635), which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the Central Baptist Association.

The church made a grant to the Baptist Union Home Mission Scheme as set out in note 9.