

CHARITY REGISTRATION NUMBER: 1126607

Loughton Baptist Church
Unaudited Financial Statements
31 December 2021

JVCA LIMITED

Chartered accountant
114 High Street,
Cranfield
Beds, MK43 0DG

Loughton Baptist Church

Financial Statements

Year ended 31 December 2021

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Loughton Baptist Church

Trustees' Annual Report

Year ended 31 December 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name Loughton Baptist Church

Charity registration number 1126607

Principal office Bradwell Road
Loughton
Milton Keynes
MK5 8AJ
Bucks

The trustees

Patricia Gidley
Rev Nathan Marlam
Sharon Willcock

Deacons

Christina Simms
Timothee Gauvrit
Matthew Teoh
Yetunde Agega
Jumoke Bamber
Sorin Romaniuc
Angela Onuoha

The trustees are also Deacons in the Church.

The two 3-year terms of office ended in March 2021 for Sharon Willcock. At the AGM held in March, Pat Gidley was re-elected for a second term of office as both Charity Trustee and Deacon. Angela Onuoha was elected as Deacon for her first term of 3 years. Christina Simms was re-elected for her second three-year term of office.

Company secretary Sharon Willcock

Accountant JVCA Limited
Chartered accountant
114 High Street
Cranfield
Bedfordshire
MK43 0DG

Loughton Baptist Church

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Structure, governance and management

Governing document

The Charity is governed by a document known as a constitution. It is an unincorporated association administered by trustees known as Deacons who are elected by way of church meeting.

OBJECTIVES AND ACTIVITIES

The principal purpose of the Church is the advancement of the Christian faith according to the principles of the Baptist denomination. The Church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world. The summary of main activities include but are not restricted to:

- regular public worship, prayer, Bible study, preaching and teaching;- baptism, as defined in the Union's Declaration of Principle;
- the Communion of the Lord's Supper which shall normally be observed at least once a month;
- evangelism and mission, locally, regionally, nationally and internationally;- the teaching, encouragement, welcome and inclusion of young people;
- nurture and growth of Christian disciples;
- education and training for Christian and community service;
- giving and encouraging pastoral care;
- supporting and encouraging charitable social action in the United Kingdom and abroad;- encouraging relationships with and supporting Baptists and other Christians.- 2

Achievements and performance

The global pandemic continued in 2021 and all Sunday morning services continued through zoom.

Sunday evening prayer times and Children's and Youth work continued in this way too. Connect groups continued to meet regularly on zoom to share in prayer, fellowship and reading of the Word. In April, a Special Church Meeting was held to appoint an Administrator which had been a vacant paid position since 2017.

In July, as the pandemic eased, the Trustees and Deacons agreed to begin meeting in person on Sunday mornings and continued the online service for those in the family who preferred to stay at home and engage through zoom. Children's and youth groups began meeting in person too, whilst Connect groups started to meet in homes and some continued online. Sunday fellowship lunches were introduced on the first Sunday of the month and were hugely successful. A hybrid version of the Alpha course was quite well attended in the autumn. At the first hybrid members meeting in October, recommended changes, to the Governing Document as advised by the Baptist Union, were proposed so that meetings could be held in person and online. Christmas celebrations took place in a similar way to the years before the global pandemic and included carol singing outreach events in the community.

Our Church plant at Whitehouse continued with their online Sunday services until July when they began meeting in the local school. Throughout the year they engaged with the local community through a wide range of activities and events.

Loughton Baptist Church

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Financial review

Following the Covid-19 period activities in the church have substantially increased as we are once again able to meet in person and hold special events. We appointed Nathan as acting Senior Minister however we still have a vacant role which is leading to us generating an overall surplus and allowing us to meet our growing costs. We still have not seen donations rise to pre-covid levels however it is excellent to see people giving on a regular basis and allowing us to apply for gift aid. As time moves on and we increase our headcount I anticipate that at our current funding levels, the surplus will be utilised in the life of the church.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Trustee

Trustee

Loughton Baptist Church

Independent Examiner's Report to the Trustees of Loughton Baptist Church

Year ended 31 December 2021

I report on the financial statements for the year ended 31 December 2021, which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act, and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
- have not been met, or

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

Coral Tolley-Fletcher FCCA

JVCA LIMITED
Chartered accountant

114 High Street
Cranfield
Bedfordshire
MK43 0DG

Loughton Baptist Church

Statement of Financial Activities

31 December 2021

		Unrestricted funds	2021 Restricted funds	Total funds	2020 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	4	152,848	2,802	155,650	186,855
Investment income	5	6,973	—	6,973	—
Total income		<u>159,821</u>	<u>2,802</u>	<u>162,623</u>	<u>186,855</u>
Expenditure					
Expenditure on charitable activities	6,7	105,306	32,802	138,108	137,470
Total expenditure		<u>105,306</u>	<u>32,802</u>	<u>138,108</u>	<u>137,470</u>
Net income and net movement in funds		<u>54,515</u>	<u>(30,000)</u>	<u>24,515</u>	<u>49,385</u>
Reconciliation of funds					
Total funds brought forward		1,546,216	120,960	1,667,176	1,617,791
Total funds carried forward		<u>1,600,731</u>	<u>90,960</u>	<u>1,691,691</u>	<u>1,667,176</u>

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

The notes on pages 8 to 16 form part of these financial statements.

Loughton Baptist Church
Statement of Financial Position
31 December 2021

		2021		2020
		£	£	£
Fixed assets				
Intangible assets	9		1,455,123	1,455,123
Tangible fixed assets	10		21,158	25,295
Investments	11		74,529	73,585
			<u>1,550,810</u>	<u>1,554,003</u>
Current assets				
Debtors	12	–		132
Cash at bank and in hand		141,923		97,524
		<u>141,923</u>		<u>97,656</u>
Creditors: amounts falling due within one year	13	<u>1,042</u>		<u>(15,517)</u>
Net current assets			<u>140,881</u>	<u>113,173</u>
Total assets less current liabilities			<u><u>1,691,691</u></u>	<u><u>1,667,176</u></u>
Funds of the charity				
Restricted funds			120,762	117,000
Unrestricted funds			1,570,929	1,550,176
Total charity funds	15		<u><u>1,691,691</u></u>	<u><u>1,667,176</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 29 October 2018, and are signed on behalf of the board by:

Rev Nathan Marlam
Trustee

The notes on pages 8 to 16 form part of these financial statements.

Loughton Baptist Church
Notes to the Financial Statements
Year ended 31 December 2021

1. General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is Bradwell Road, Loughton, Milton Keynes, MK5 8AJ, Bucks.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Loughton Baptist Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Loughton Baptist Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Loughton Baptist Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Investments in joint ventures *(continued)*

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Loughton Baptist Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Offerings	127,894	1,302	130,696
Other income		1,500	
Tax refunds	24,954	—	24,954
	<u>152,848</u>	<u>2,802</u>	<u>155,650</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Offerings	158,239	—	158,239
Tax refunds	28,616	—	28,616
	<u>186,855</u>	<u>—</u>	<u>186,855</u>

5. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Interest on investment	<u>6,973</u>	<u>6,973</u>	<u>—</u>	<u>—</u>

Loughton Baptist Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

6. Net income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>4,137</u>	<u>4,137</u>

7. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	70,852	90,808
Social security costs	2,885	5,607
Employer contributions to pension plans	<u>6,800</u>	<u>9,434</u>
	<u>80,537</u>	<u>105,849</u>

The average head count of employees during the year was Nil (2020: Nil).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Loughton Baptist Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

8. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

9. Intangible assets

	Patents, trademarks and licences £
Cost	
At 1 January 2021 and 31 December 2021	<u>1,455,123</u>
Amortisation	
At 1 January 2021 and 31 December 2021	<u>—</u>
Carrying amount	
At 31 December 2021	<u>1,455,123</u>
At 31 December 2020	<u>1,455,123</u>

10. Tangible fixed assets

	Land and buildings £
Cost	
At 1 January 2021 and 31 December 2021	<u>82,743</u>
Depreciation	
At 1 January 2021	<u>57,448</u>
Charge for the year	<u>4,137</u>
At 31 December 2021	<u>61,585</u>
Carrying amount	
At 31 December 2021	<u>21,158</u>
At 31 December 2020	<u>25,295</u>

Loughton Baptist Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

11. Investments

	Other investments £
Cost or valuation	
At 1 January 2021	74,529
Additions	—
At 31 December 2021	74,529
Impairment	
At 1 January 2021 and 31 December 2021	—
Carrying amount	
At 31 December 2021	74,529
At 31 December 2020	74,529

All investments shown above are held at valuation.

13. Debtors

	2021 £	2020 £
Other debtors	—	132

14. Creditors: amounts falling due within one year

	2021 £	2020 £
Social security and other taxes	1,042	1,840
Other creditors	—	(17,357)
	1,042	(15,517)

15. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,800 (2020: £9,434).

16. Analysis of charitable funds

Unrestricted funds

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
General funds	1,546,216	159,821	(105,306)	1,600,731

Loughton Baptist Church

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

15. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 20 21	Income	Expenditure	At 31 December 2021
	£	£	£	£
Building fund	<u>120,960</u>	<u>2,802</u>	<u>(32,802)</u>	<u>90,960</u>

16. Financial instruments

Where reduced disclosures are applied, disclosures from the Companies Act 2006 still need to be made regarding the fair value of the instruments in each category and the changes in value recognised in profit and loss. Disclosures of the significant assumptions underlying the valuation models and techniques used, and extent and nature of derivative instruments are also required.