

Ilford High Road Baptist Church

Report and Accounts

Year ended 31 March 2021

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

ILFORD HIGH ROAD BAPTIST CHURCH
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021

ADDRESS FOR CORRESPONDENCE	322 High Road Ilford Essex IG1 1QP
GOVERNING DOCUMENT	Constitution adopted December 2006, amended March 2008
CHARITY REGISTRATION NUMBER	1127683
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	Revd Andrew Willis Muneeb Chowdhry Angela Eversley (appointed January 2021) Michael Hinds (resigned December 2020) Patricia Hinds (appointed January 2021) Jennifer Hunte (appointed January 2021) Keith Jordan Sana Joseph (appointed January 2021) Ian Morris (Treasurer) Sanjeeva Reddy (appointed January 2021) Ojetunde Sangobiya Sheila Sinclair Onkar Singh (resigned December 2020) Abidemi Tubi Anthony Tyler (resigned December 2020)
CUSTODIAN TRUSTEES	The Baptist Union Corporation Limited
BANKERS	HSBC Bank plc London Baptist Property Board Ltd
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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ILFORD HIGH ROAD BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 March 2021.

Introduction

Ilford High Road Baptist Church is a multi-ethnic community of Christian believers who believe that our lives will only be lived to the full when lived in fellowship with Jesus Christ and we would like others that we live amongst to share that same experience. We also believe that our society will only be at its best when lived by Christian principles as found in the Bible.

Located in a highly multi-faith area of East London we seek to present the Christian faith in our worship services, the way we live our lives and the way we seek to serve our neighbours. Our report below shares something of our journey over the last year in seeking to live out our faith.

Objectives

The charity, which is a church, is governed by a constitution and is constituted as a trust. 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 places.

In planning activities, the trustees have had regard to the guidance on public benefit issued by the Charity Commission:

- Holds worship services that are open to all
- Provides pastoral support and care for those in both the Church and wider community
- Makes its premises available for a wide range of social action projects, which benefit the community at large. The services provided are open to those of all faiths and/or none.

Summary of the charity's main activities and achievements

Services of worship

The Coronavirus has disrupted our regular pattern of holding two services on Sundays in the church building at 9.30am and 11.30am. We have however managed to hold services in the church when safe to do so at 9:30am and in addition every week hold a service on Zoom at 11:00am. To these services we have welcomed all, including those of other faiths or none.

Our services are structured to worship God in the Christian tradition, and include prayers for our world, country, town and our congregants. In particular, over the last year, we have prayed for all those impacted by Coronavirus and given thanks for the development of a vaccine, our NHS and key workers. Our worship reflects our diverse congregation and within the services in addition to the worship of God we also seek to understand the teaching of the Bible and explore its application in our daily lives.

We continue to post our sermons onto our website which is open to all at <https://ihrb.org.uk> and we ran a series of video meetings for folk to keep in touch with each other.

In this last year our focus has been to examine the hope we have as Christians especially at this difficult time. What it means to seek God in times of grief and to explore the love of God at times like this. We have further explored and developed ideas from last year as we looked to see what living to please God looks like in practice in our daily lives and the challenges that living for Jesus brings in today's society.

As we have thought and prayed about the church's programme in the coming years we are exploring a midweek midday service, through which we hope to support our congregation in all aspects of their daily living both at home and work and the challenges of each new day as lockdown eases.

Prayer Meetings

Our services always include prayer, with intercessions not only for our congregants but also wider national and international issues. In addition, other specific times for prayer are also maintained: we hold prayer meetings most Wednesday evenings and a half-day prayer meeting once a month on a Saturday. All services and prayer meetings, and other weekly events are open to everyone, those of faith or none. While our building had to remain closed at times for church services, we have been able to open our church for private prayer while our corporate times of prayer have been held using video conferencing. We have been encouraged by a few more congregants attending and maybe we will have prayer meetings in future with some meeting in person at the church buildings and others joining in via video conferencing.

Bible studies

We believe that the Bible is the Word of God and although we have not been able to meet in person, there has been an opportunity to study the Bible together on Sunday evenings by the use of video conferencing. Bible study has also been a regular part of our mid-week home groups.

Midweek Home Groups

During the week our home groups are among the most important of our activities: they would normally give small groups of people the opportunity to meet together, share in Bible study and pray, and through the friendships that are built up to support one another in our daily lives. While we are unable to meet in person, video conferencing has allowed groups to meet and by the use of telephone and messaging facilities, needs have been shared and practical and spiritual support given.

Pastoral Support

As soon as lockdown was announced in March 2020 everyone in the church family was included in a small Care Group – this included regular congregants, those who came irregularly, and some whom we had not seen for some time were also contacted and invited to be part of a group. Group leaders sought to contact the three members of their group on a weekly basis. These phone calls and text messages were not confined to group leaders and one positive development this year has been an increase in the number of people contacting each other regularly. We are exploring long-term arrangements to replace these care groups as we look to return to our buildings for worship services.

Children & Youth work

Our children and young people have been actively involved in the church worship on Sundays and it has been a feature of the video conferencing service for them to share what they have been learning and doing during the service, using resources sent to them by the Red Balloon Foundation (RBF).

Alongside the 11.00am service, we have during the week age-appropriate video conferencing programmes for children and Young People where the Christian faith is both taught and discussed in an age-appropriate way. Four years ago we recognised that we would have a group of 9-10 youth aged 11-14 and our link up with RBF included plans for this time. We are pleased to report that our youth work has not suffered under lockdown, but, alongside a weekly Sunday morning Bible, a monthly Sunday online cook-along has seen this group begin to gel together.

Support to our local community

As a Christian community we believe that it is important to reach out to our neighbours to help meet their practical needs as well as their spiritual needs. During the last year we were aware of many of the stresses experienced by the people in our community and spent considerable time discussing how we can be there in our community for people. We set up and advertised a dedicated phone line to support all at this time of need and opened our premises for private prayer. We are planning to open a Friendship Firsts café / drop-in offering a place where people can begin to meet again, make new friends, share their stories of lockdown and find support to face the future.

Until the shutdown we were running in-person English language classes, in this way reaching out to those in our community who are disadvantaged by a lack of the English. We have continued to provide this help by using video conferencing.

Until the shutdown we were running common interest groups: a Knitting Group, Men's Group, Women's Group, Albanian speaking Group and a Young at Heart Group. These groups provided an opportunity for those who attended to meet and share friendship and support for one another around a common activity. While we have been unable to meet, members of these groups have been supporting each other by phone, text and WhatsApp.

By working in association with Healthy Living Projects, a breakfast club, pre-school and an after-school club have run on our premises when regulations have allowed. In addition, the church established and is still actively involved in the Welcome Project, which provides many services to homeless men and women. While we have had to limit the services provided, the Welcome Project has been cooking and delivering meals to the homeless throughout the past year and provided some support on an appointment basis rather than as a drop-in.

Our activities include an association with the North London Iranian Church, a Farsi speaking Christian church, and Kingdom Ministries, who are a Punjabi, Urdu and Hindi speaking Christian church. We would normally open our premises to both churches for church services and Bible study. These meetings were suspended until the regulations permitted.

The Church also supports in prayer, and financially, Christian outreach programmes both in the UK and abroad, through: The Baptist Missionary Society, Baptist Home Mission Fund, Arab World Missions, Christian Education Project, Carmel Ministries (India), raising the living standards of people in very practical as well as spiritual ways.

Faith outreach to our local community

By creating the opportunity of private prayer, providing a help line, adding relevant material to our website and the use of video conferencing we have sought to reach out and serve our community in both practical and spiritual ways making the Christian faith relevant to the daily lives of both our own congregation and to those we live and work amongst. As noted above we plan to open a Friendship First café, we have registered as a Hong Kong Friendly Church ready to welcome people who arrive in this country from Hong Kong. We are in discussion with a national organisation about providing accommodation and ongoing support for refugees when they receive the right to remain in UK.

Financial review

During the year the total income rose by £18,100 to £162,200, this however includes a grant for £20,149 and a legacy for £20,024. The expenditure decreased by £108,800, to £115,400 and as a result the cash held by the charity increased by £46,800, to £209,100, of which £206,700 is unrestricted and can be used for any charitable purpose. We thank God for the generosity of our donors especially over what has been a difficult year. Our Church and hall premises date back to 1907 and are listed with Historic England as good examples of the Arts and Crafts Movement. A Quinquennial Inspection advised us that urgent work was required to repair/maintain the stonework and spire. Repairs/preservation has been undertaken and during the last financial year £111,800 was spent on these repairs, a further expenditure of £17,100 has been spent on completing these repairs from this financial year.

Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of no less than £30,000 (which equates to about 3 months' of unrestricted expenditure) so that the charity could continue to operate should income and / or expenditure vary adversely. At the year end, the charity held unrestricted cash of £206,700 and the charity is holding funds in excess of the policy for the purpose of funding future activities and maintaining premises.

Governance

Responsibility for setting policy and for making operating decisions rest with the trustees who meet regularly to monitor the activities of the charity. Under the constitution, the executive body of the Church is the Leadership Team comprising the Church staff and elected deacons together with other co-opted members. New trustees are recruited and appointed by a majority vote of members.

Responsibilities of trustees


Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

Approval

This report was approved by the trustees and signed on their behalf by:



Ian Morris

Date: 29/7/2021

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
ILFORD HIGH ROAD BAPTIST CHURCH

I report to the trustees on my examination of the accounts of Ilford High Road Baptist Church ('the charity') for the year ended 31 March 2021 on pages 7 to 11 following.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and 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

I have completed my examination. I confirm that no material 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 accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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



Jaimée Young

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: 30 July 2021

ILFORD HIGH ROAD BAPTIST CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	<u>Unrestricted Funds</u>		Restricted Funds	Total 2021	Total 2020
		General Funds	Designated Funds			
		£	£	£	£	£
Income receipts						
Donations		87,150	-	105	87,254	97,704
Gift aid receipts		17,233	-	-	17,233	18,344
Legacies		20,024	-	-	20,024	-
VAT refunds		20,149	-	-	20,149	-
Rental income		16,943	-	-	16,943	24,480
Charitable activities		-	-	-	-	2,545
Interest		389	-	-	389	1,091
Other		252	-	-	252	-
Total receipts		<u>162,138</u>	<u>-</u>	<u>105</u>	<u>162,243</u>	<u>144,163</u>
Payments						
Payments in relation to charitable activities undertaken directly	2	93,365	-	-	93,365	202,357
Grants paid in relation to charitable activities undertaken by others	3	22,046	-	-	22,046	21,821
Total payments		<u>115,411</u>	<u>-</u>	<u>-</u>	<u>115,411</u>	<u>224,179</u>
Net of receipts / (payments) before transfers		46,728	-	105	46,832	(80,015)
Transfers between funds	5	(574)	-	574	-	-
Net movement in funds		<u>46,154</u>	<u>-</u>	<u>678</u>	<u>46,832</u>	<u>(80,015)</u>
Cash funds as at last year end		160,575	-	1,742	162,317	242,333
Cash funds at this year end	A	<u>206,729</u>	<u>-</u>	<u>2,420</u>	<u>209,149</u>	<u>162,317</u>

The notes on pages 9 - 11 form part of these accounts.

ILFORD HIGH ROAD BAPTIST CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 MARCH 2021

	<u>Unrestricted Funds</u>		Restricted funds	Total 2021	Total 2020
	General funds	Designated funds			
	£	£	£	£	£
A Cash funds					
Cash at bank with immediate access	74,840	-	2,420	77,260	30,757
Notice deposits	131,729	-	-	131,729	131,340
Petty cash	160	-	-	160	220
	<u>206,729</u>	<u>-</u>	<u>2,420</u>	<u>209,149</u>	<u>162,317</u>
B Other monetary assets					
Gift aid due to charity	3,699	-	-	3,699	6,263
Other debtors and accrued income	1,846	-	-	1,846	1,955
	<u>5,545</u>	<u>-</u>	<u>-</u>	<u>5,545</u>	<u>8,219</u>
C Liabilities					
Falling due within one year:					
Trade creditors	-	-	-	-	13,029
PAYE/NI due	270	-	-	270	259
BU pension scheme deficit	3,695	-	-	3,695	3,631
Fee for Independent Examination	1,680	-	-	1,680	1,680
	<u>5,645</u>	<u>-</u>	<u>-</u>	<u>5,645</u>	<u>18,600</u>
Falling due after one year:					
BU pension scheme deficit	33,905	-	-	33,905	47,369
	<u>33,905</u>	<u>-</u>	<u>-</u>	<u>33,905</u>	<u>47,369</u>
Total	<u>39,550</u>	<u>-</u>	<u>-</u>	<u>39,550</u>	<u>65,968</u>

D Assets retained for charity's own use

	Value 2021	Value 2020
	£	£
Church buildings	10,335,891	9,862,753
Church contents and equipment	76,535	76,230
The Welcome Centre	2,386,473	2,330,540
78, South Park Road, Ilford	1,000,000	1,000,000
8, St Mary's Road, Ilford	254,919	248,954
	<u>14,053,818</u>	<u>13,518,477</u>

The church buildings (incorporating the Skylight) are under the custodial trusteeship of the Baptist Union Corporation Ltd.

The trustees have used insurance values as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

In order to raise sufficient funds to complete the building of the Welcome Centre, the top two floors were leased in November 2011 to Centrepont for 60 years for the sum of £800,000.

The accounts were approved by the trustees and signed on their behalf

by  date 29/7/2021
Ian Morris

The notes on pages 9 - 11 form part of these accounts.

ILFORD HIGH ROAD BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

	Unrestricted Funds		Restricted Funds	Total 2021	Total 2020
	General funds	Designated funds			
	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly					
Ministry employment and expenses	30,430	-	-	30,430	31,160
Mission and outreach	9,350	-	-	9,350	10,971
Premises costs	28,215	-	-	28,215	39,746
Stonework and Spire restoration	17,142	-	-	17,142	111,809
Admin support and other ministry costs	5,321	-	-	5,321	7,231
Governance	1,440	-	-	1,440	1,440
Other costs	1,468	-	-	1,468	-
	<u>93,365</u>	<u>-</u>	<u>-</u>	<u>93,365</u>	<u>202,357</u>

3 Grants and gifts paid to others

Organisations:					
Arab World Ministries	1,800	-	-	1,800	1,800
Baptist Missionary Society	6,300	-	-	6,300	6,300
Home Mission Fund	6,300	-	-	6,300	6,300
Christian Education Project	2,500	-	-	2,500	2,500
Urban Vision Team	3,900	-	-	3,900	3,900
Organisations < £1,000	1,246	-	-	1,246	1,021
	<u>22,046</u>	<u>-</u>	<u>-</u>	<u>22,046</u>	<u>21,821</u>

4 Transactions with related parties

Andrew Willis served as a church leader and was paid £24,125 [2020: £23,588] for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document.

In addition the charity incurred expenditure in respect of the provision of accommodation (which is customary for ministers) to Andrew Willis, who is a trustee, so that they could better perform their duties.

ILFORD HIGH ROAD BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

5 Movement of funds

	Balance at 31Mar2020 £	Receipts £	Payments £	Transfers £	Balance at 31Mar2021 £
General funds	160,575	162,138	(115,411)	(574)	206,729
	<u>160,575</u>	<u>162,138</u>	<u>(115,411)</u>	<u>(574)</u>	<u>206,729</u>
Restricted funds					
Youth Worker	1,313	-	-	-	1,313
Children and Youth project	-	105	-	-	105
Special Offerings	-	-	-	574	574
Choir fund	429	-	-	-	429
	<u>1,742</u>	<u>105</u>	<u>-</u>	<u>574</u>	<u>2,420</u>
Total funds	<u>162,317</u>	<u>162,243</u>	<u>(115,411)</u>	<u>-</u>	<u>209,149</u>

6 The Baptist Pension Scheme

Background to the disclosure

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme is a separate legal entity and the assets of the Scheme are held separately from those of the Employer and the other participating employers. The Scheme comprises a Defined Contribution Plan and a Defined Benefit Plan.

The pension cost shown in the Receipts and Payments Statement comprises contributions to the Defined Contribution Plan and deficiency contributions to the Defined Benefit Plan (see below).

The Minister is eligible to join the Scheme.

The Defined Contribution Plan

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension 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 (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that 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 Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

The Defined Benefit Plan

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit 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. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

ILFORD HIGH ROAD BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million. The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The next actuarial valuation of the DB Plan is due as at 31 December 2022.

Recovery plan

A recovery plan dated 30 September 2020 has been agreed to make good the above deficit in assets. Therefore, in addition to the contributions to the DC Plan set out above, the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

It has been agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Trustee and the Council agreed a 50% reduction in all deficiency contributions payable between 1 July 2020 and 31 December 2020. The Recovery Plan envisages deficiency contributions continuing until June 2026.

In addition, the Baptist Union of Great Britain agreed to contribute a lump sum of £0.5m by 31 December 2020.

Key assumptions

The key assumptions underlying the actuarial valuation of the DB Plan were as follows:

<i>Type of financial assumption</i>	<i>% pa</i>
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (CPI plus 0.75% pa)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	2.70

Payments made in the year

	2021	2020
	£	£
Defined Contribution Plan:		
Employee contributions	2,650	2,569
Employer contributions	1,987	3,211
	<u>4,637</u>	<u>5,780</u>
Deficiency contributions to Defined Benefit Plan	<u>2,740</u>	<u>3,573</u>
	<u><u>7,376</u></u>	<u><u>9,352</u></u>

Basis for determining the DB plan pension liability

The pension liability disclosed in the Statement of Assets and Liabilities in respect of the DB Plan is based on an estimate of the amount that the charity would be required to pay should the charity decide to settle the debt immediately; the Baptist Pension Scheme (the 'BPS') have provided this estimate. The BPS is collecting deficit contributions monthly however these deficit contributions have not been calculated by reference to the charity's share of the pension deficit and, based on the current schedule of contributions, it is possible that the sum of all future annual deficit contributions will be significantly less than the liability disclosed in the Statement of Assets and Liabilities. The charity does not foresee any circumstances that could result in immediate payment of the whole debt however the trustees believe that the BPS may ask the church to increase its contributions towards the deficit and therefore, to be prudent, they have chosen to disclose a liability for the employer debt in the Statement of Assets and Liabilities.