



Edmonton Baptist Church

Charity Registration Number: 1128147

31 December 2022

Annual Report and Financial Statements

www.edmontonbaptist.org.uk

Tandem Accounting Limited
Chartered Accountants
17 Heathville Road
London N19 3AL

EDMONTON BAPTIST CHURCH

Annual Report and Financial Statements 2022 Contents



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EDMONTON BAPTIST CHURCH



Legal & Administrative Information For the year ended 31 December 2022

Charity Name	Edmonton Baptist Church. The Church was established 1859.	
Charity number	1128147. The church was formally registered with the Charity Commission on 19 February 2010.	
Affiliations	The church is a member of the Baptist Union of Great Britain, the London Baptist Association and the Evangelical Alliance.	
Principal Address	Edmonton Baptist Church, The Green, Monmouth Road, Edmonton, London N9 0LS.	
Governing Documents	<p>The Church's governing documents are as follows:</p> <ul style="list-style-type: none">• The Church Constitution adopted 11 January 2009• The Church Trust Deed, dated 31 January 1862, governing the Church's constitution and property at the Green, Monmouth Road, Edmonton N9 0LS• The Manse Trust Deeds dated:<ul style="list-style-type: none">○ 19 August 1985 (74 Stanley Road, Edmonton N9 9AB),○ 18 September 1995 (19 Cyprus Road, Edmonton N9 9PG)○ 14 May 2004 (78 King Edwards Road, Edmonton, London N9 7RP)	
Objective	In accordance with the church constitution, 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.	
Trustees	The Trustees who served during the year or who were serving at the date of this report were:	
<u>Holding Trustee:</u>	London Baptist Property Board Limited	
<u>Managing Trustees:</u>	Senior Minister	Rev. Stephen Peake
	Evangelism & Outreach Minister	William Clark
	Youth Minister	Isaac Ameyaw
	Deacons	Gifty Nkansa-Yeboah
		Sabrina Dalzine
		Joycelyn Dehaney
		George Blake
		Nadine Campbell-Simms
		Christine Geohagen
		Helena Kiafuca
		Keisha Barnett
Key Management Personnel	Those in charge of planning, directing, controlling, running and operating the Charity, including those members of staff who are the senior management personnel to whom the trustees have delegated significant authority or responsibility in the day-to-day running of the charity, are the Managing Trustees and the Church Administrator	
Bankers	Barclays Bank Lower Edmonton Branch North East London Group PO Box 2403 London N18 2BY	

EDMONTON BAPTIST CHURCH

Legal & Administrative Information For the year ended 31 December 2022



Independent Examiner	John Helm ACA Tandem Accounting Limited 17 Heathville Road London N19 3AL
Solicitor	Carter Lemon Camerons 11 Breems Buildings London EC4A 1DW

Annual Report of the Church Executive For the year ended 31 December 2022

The Church Executive submits its annual report and the financial statements of the Church for the year ended 31 December 2022. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2019 (FRS102)) and the Financial Reporting Standard 102. The legal and administrative information set out earlier in this document forms part of this report.

I. Structure, Governance & Management

I.1 Trustees

The Church has two classes of trustees as follows:

I.1.1 Managing Trustees

The Managing Trustees of the Church are responsible for the day to day management of the Church's business in accordance with the Church's objects. The Managing Trustees are the members of the Church Executive elected by the Church members' meeting. The Church Executive consists of all of the deacons, the church **administrator**, the church treasurer, with ministers as ex officio members.

- Deacons will normally serve a term of office of four years. Deacons will not normally be eligible for nomination for one year after the completion of two terms. The maximum number of deacons is 12.
- Ministers are appointed at Special Church Meetings and serve without fixed term. They can only be removed at Special Church Meetings.

The Church Executive meets approximately 11 times per annum to discuss a full range of matters relating to finance, fabric, general administration, the implementation of the church constitution and responsibility for the keeping of the church membership roll.

None of the Church's officers, with the exception of the Ministers, receive remuneration. The Church maintains trustee indemnity insurance on behalf of the Managing Trustees.

The induction process for any church member newly-appointed to the Church Executive comprises an initial meeting with the Minister(s) and receipt of copies of:

- the Church Constitution
- the most recent financial statements
- the Charity Commission's guidance 'The Essential Trustee'.

I.1.2 Holding Trustee

The Holding Trustee is responsible for holding the Church's land and buildings on trust for the benefit of the Church and ensuring that the use of the land and buildings is as envisaged by the governing documents. The Holding Trustee is appointed by the Members without fixed term and can be removed by the Members.

I.2 Church Members

Church Membership is open to those who:

- accept the Beliefs of the Church;
- commit themselves to serving Christ within the Church and beyond;
- abide by the decisions of the Church Members' Meeting;
- acknowledge their responsibilities as Church Members;
- have their membership application accepted by the Church Members' Meeting.

Church Members share in the responsibility for the finances, administration, maintenance and activities of the church and elect the Church Executive. Church Members meet regularly each year for business meetings and receive reports from the Church Executive.

I.3 Personnel

The Ministers (including, when appointed: lead, associate and youth ministers) are full time officers of the church who each receive a stipend and are provided with rent free accommodation in the manse properties. The following personnel are salaried:

Annual Report of the Church Executive For the year ended 31 December 2022

Church Administrator	Sheila Hamshaw
Church Finance Administrator	Gladys Mwaungulu
Administration Assistant	Scott Billet

1.4 Risk Management

The Church's primary concern and objective is the glory of God. Whilst it is the Church's policy to trust wholly in the Lord that He will work out His purpose to this end, the Church also acknowledges that it has a responsibility, both as individual members and as a body of members, for the identification and proper management of risks faced by the church in achieving its primary aim. The Church Executive has therefore assessed the major risks to which the church is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The Church Executive believes that, by monitoring reserve levels, by ensuring that controls exist over key financial systems, and by examining the operational risks faced by the church, it has established effective systems and procedures to mitigate those risks.

2. Activities & Strategies

Edmonton Baptist Church is a vibrant urban multi-ethnic evangelical congregation with a membership of around **220**. On a wider front the Church is in membership with the London Baptist Association, the Baptist Union of Great Britain and the Evangelical Alliance. The membership easily divides into three equal groups: the Caribbean, African (especially Ghanaian and Nigerian) and the remainder include people from a vast number of nationalities and ethnicities.

• Leadership

In keeping with Baptist tradition and practice the ultimate congregational leadership is vested in the Church meeting. The Church meets regularly to discern the will of the Lord for the congregation. At the Church meetings members discuss matters pertaining to the running of the Church, receive reports and approve programmes. The day to day running of the Church is vested in the deaconate (constitutionally deemed the leadership of the church) and the staff.

The Church Executive has given due regard to the Charity Commissions' guidance on public benefit. During the year the Church continued to carry out the following activities in order to promote the Gospel in the local neighbourhood and beyond.

• Worship

The Church has one service every Sunday at 10.30 am. This service is adult and child friendly; alongside the main worship the service caters for a Sunday school of about **30** children and young people divided into age groups ranging from 5-18. The children and young people are served by a dedicated team of leaders and helpers who provide significant Bible teaching in exciting ways. The 1.30pm service is a small one catering for French speaking people. The dominant group currently is made up of people from the Democratic Republic of Congo.

The services are centred on Bible teaching. The Church is committed to explaining the text of the Bible in ways that enable people to see its plain meaning so that they may be empowered to follow Jesus and to walk in the ways of the Lord faithfully in meaningful discipleship.

• Mission

The Church is committed to mission both local and global. At the local level the Church holds regular worship services through which the Church carries out evangelism and pastoral outreach to the community. The Step by Step club for the homeless deliver spiritual care alongside other practical help relating to people's needs.

From time to time the Church joins with members of other Churches in borough-wide evangelistic activities.

On the global front the Church supports Julia Pascoe who is involved in full time missionary activities. Julia serves with Jews for Jesus in London. The Church also supports the BUGB, BMS World Mission as well as other local and global initiatives. Other outreach activities include a highly successful Pre-School (run by a separate registered charity) with two sessions of children every day from Monday to Friday. The Guides and Brownies recently celebrated their **91st** anniversary at the Church. We also run a Muslim Book Table outside the church to reach out to the Muslims in the area.

3. Achievements and Performance

The Step By Step Club, started in October 2010, built on and replaced the work of the Wednesday Food Collection with an average attendance of 67 individuals per week.

4. Financial Review

The church's main sources of funding are the free will offerings of church members and others in attendance at church meetings, and income from hiring out the church's premises and facilities.

4.1 Financial Activity and Financial Position

The Statement of Financial Activities and Balance Sheet can be found on pages 10 and 11 respectively. The Church's reserves increased by £39,162 during the year (2021 – decreased by £23,155). The balance sheet shows total net assets of £1,800,777 (2021: £1,761,615).

Included in total funds are amounts totalling £40,518 (2021: £39,087) which are restricted. These monies have either been raised for, and their use restricted to, specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 11 to the accounts together with an analysis of movements in the year.

4.2 Reserves Policy

The Church Executive has examined the requirements for free reserves, ie those unrestricted funds not invested in tangible fixed assets and programme related investments. The Church Executive considers that, given the nature of the church's work, free reserves should be equivalent to approximately 6 months' routine general fund expenditure, plus committed future expenditure on other projects, where funds permit. The Church Executive is of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources and will allow the church to cope and respond to unforeseen emergencies whilst specific action plans are implemented. At 31 December 2022 the church had net free reserves of £301,628 (2021: £303,979) as follows:

	2022 £	2021 £
Total reserves	1,800,777	1,761,615
Less: restricted funds	(40,518)	(39,087)
Less: unrestricted fixed assets used for the continuing work of the church	(1,458,631)	(1,459,249)
Add: provision (long term)	-	40,700
Free reserves	301,628	303,979
Free reserves requirement:		
6 month's budgeted routine expenditure	150,000	150,000

The Trustees are aware that free reserves are in excess of the free reserves requirement and are actively looking at ways in which the gap can be legitimately reduced in accordance with the charitable objectives.

4.3 Investment Policy

Funds not required immediately for operational purposes are placed on interest bearing deposits.

4.4 Grants Policy

The Church makes grants, equivalent to approximately 10% of its incoming resources annually, to support missionary endeavours both in the UK and abroad. The policy of the church is to give grants on the basis that they are subject to annual review and only renewed on the basis of meeting set criteria. The missionary societies regularly supported include BMS World Mission (www.bmsworldmission.org), BUGB Home Mission (www.baptist.org.uk/homemission), and Jews for Jesus (www.jewsforjesus.org). In addition, the Church makes anonymous love gifts, at the discretion of the ministers and deacons, to those in need within the Church fellowship. For details of grants made, see note 3b.

5. Plans for Future Periods

We are committed to developing a mature Christ-centred congregation that is biblically literate, engaging in dynamic worship and prayer, deepening fellowship and reaching out in word and in deed to a world hungry for the Gospel.

The following are the five big ideas which will be reflected in everything we do in the Church over these succeeding years: **Christ centeredness, Bible teaching, dynamic worship and prayer, supportive fellowship, and mission outreach both local and global.**

Christ centredness

Christianity is a reality because our Lord Jesus Christ died on the cross for us and on our behalf. **We want to see the life of** every individual as well as that of the whole congregation centred on Christ. We are committed to ensuring that everyone grows deeper into maturity in Christ likeness that becomes the basis of attractive and fruitful lifestyles. Evangelism, nurture and outreach will therefore be at the heart of all our operations (Colossians 1:28-29).

Bible teaching

The Christian faith is unashamedly book (Bible) based. **We want to see** every man and woman, boy and girl mature in their knowledge of the Bible and growing in obedience to God's Word (Psalm 119:1-5, Proverbs 3:1-4).

Worship and prayer

Worship, incorporating prayer, is our calling and our lifeline. In worship we express our gratitude to God for all the things he has done for us; we ascribe worth to him. Our calling deals in spiritual matters and therefore we ought to depend entirely upon God for his enabling. This we do in prayer. **We want to see** Edmonton Baptist Church known as a 'worshipping and praying Church' (John 4:23-24; 1 Thessalonians 5:17).

Fellowship

We want to see the development of structures and relationships that encourage all members of the Church to engage in meaningful and supportive fellowship (John 13:34-35). To this end we will encourage the development of Bible study groups both on Church premises as well as in homes scattered throughout our neighbourhoods.

Mission – Church outreach

Mission exists because worship does not! The callings of Abraham and Israel were intended to reach out to the whole world so that the Gentile nations may also enter into the blessings of God (see Genesis 12:1-3; Exodus 19:3-6). This is also true of the coming of Jesus (Matthew 1:21) and his calling and commissioning of the apostles (Mark 1:16-17; Matthew 28:18-20). The Lord commanded his Church to be active in mission until he returns (Acts 1:6-9). **We want to see** the Church actively engaging in mission outreach locally, nationally and internationally. We will feed the hungry, clothe the naked, show compassion to those suffering ill health, emotional and psychological trauma, imprisonment and other types of deprivation.

6. Responsibilities of Trustees for the Financial Statements

The Church Executive is responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law in England and Wales requires the Church Executive 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 income and expenditure of the charity for that period.

In preparing those financial statements, the Church Executive is required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 activities of the charity will continue.

The Church Executive is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables 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 governing document. The Church Executive is 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. The Church Executive is responsible for the maintenance and integrity of the charity and financial information included in the charity's website.

7. Approval

The report of the Church Executive was approved by the Church Executive on 6 June 2023 and signed on its behalf by:

George Blake
Deacon

Report of the Independent Examiner to the Church Executive of Edmonton Baptist Church

I report on the financial statements of Edmonton Baptist Church for the year ended 31 December 2022, set out on pages 10 to 21.

This report is made solely to the Church Executive in accordance with section 145 of the Charities Act 2011 (the Act). My independent examination has been undertaken so that I might state to the Church Executive those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by the law, I do not accept responsibility to anyone other than the Trust and the Church Executive for my independent examination, for this report, or the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF CHURCH EXECUTIVE AND EXAMINER

The Church Executive considers that an audit is not required for this year (under section 144(2) of the Act) and that an independent examination is needed.

It is my responsibility to:

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

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination was carried out in accordance with General Directions given by the Charity Commissioners. 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 the Church Executive concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

INDEPENDENT EXAMINER'S STATEMENT

Since the charity's gross income exceeds £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 respect of the church as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

John Helm ACA
6 June 2023

EDMONTON BAPTIST CHURCH



Statement of Financial Activities For the year ended 31 December 2022

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
Income from:	2						
Donations and legacies		215,987	8,809	224,796	201,806	11,645	213,451
Other trading activities		16,664	-	16,664	7,380	-	7,380
Investments		3,543	-	3,543	212	-	212
Total Income		236,194	8,809	245,003	209,398	11,645	221,043
Expenditure on:							
Charitable activities	3	238,480	8,061	205,841	239,133	5,065	244,198
Total Expenditure		238,480	8,061	205,841	239,133	5,065	244,198
Net gains/(losses) on investments		-	-	-	-	-	-
Net income	4	(2,286)	748	39,162	(29,735)	6,580	(23,155)
Transfers between funds		(682)	682	-	1,200	(1,200)	-
Net movement in funds		(2,968)	1,430	39,162	(28,535)	5,380	(23,155)
Total funds brought forward		1,722,528	39,087	1,761,615	1,751,063	33,707	1,784,770
Total funds carried forward		1,719,560	40,517	1,800,777	1,722,528	39,087	1,761,615

EDMONTON BAPTIST CHURCH



Balance Sheet As at 31 December 2022

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Fixed Assets					
Tangible Assets	5	1,458,631	-	1,458,631	1,459,249
Investments	6	-	-	-	-
		1,458,631	0	1,458,631	1,459,249
Current Assets					
Debtors	7	12,289	-	12,289	11,241
Cash At Bank And In Hand		289,958	40,517	330,475	334,555
		302,247	40,517	342,764	345,796
Creditors - Amounts Falling Due Within One Year	8	618	-	618	2,730
Net Current Assets		301,629	40,517	342,146	343,066
Provisions	9	-	-	-	40,700
Net Assets		1,760,260	40,517	1,800,777	1,761,615
Represented by:					
Restricted Income Funds	10	-	40,517	40,517	39,087
Unrestricted Income Funds		1,760,260	-	1,760,260	1,722,528
Total Funds		1,760,260	40,517	1,800,777	1,761,615

The financial statements were approved by the Church Executive on 6 June 2023 and signed on its behalf by:

George Blake
Deacon

I. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting except for the revaluation of residential freehold land and buildings which are shown at market value.

The financial statements include all transactions, assets and liabilities for which the Church is responsible in law. They do not include the accounts of church groups that owe an affiliation to another body or those that are informal gatherings of church members.

The Church meets the definition of a public benefit entity under FRS 102.

Going Concern

There are no material uncertainties about the charity's ability to continue as a going concern and accordingly the accounts have been drawn up on a going concern basis.

Income recognition

Voluntary income and donations (including legacies) are accounted for once the Church has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

The income from trading activities includes rental income from the letting of church premises and freehold land and buildings which is accounted for when earned.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Church; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. The Church is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Charitable expenditure includes those costs in fulfilling the Church's principal objects, as outlined in the Report of the Church Executive. These include grants payable and governance costs:

- Grants payable are payments made to third parties in furtherance of the Church's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Church.
- Governance costs comprise all costs involving the public accountability of the Church and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

The church pays pension contributions into the Baptist Pension Scheme, a final salary defined benefit scheme for contributions until 31 December 2011 and a defined contribution scheme for contributions made thereafter. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the church. The scheme is therefore accounted for as a defined contribution scheme, with contributions payable to the scheme being accounted for on an accruals basis. In addition, the church currently pays contributions towards a deficit on the defined benefit scheme. The deficit, discounted to present value, is fully provided in these accounts and the charge to the income and expenditure account, which is included in the total pension cost, is the employer contributions payable as adjusted by the movement in the discounted provision.

I. Accounting Policies

Rentals under operating leases are charged as incurred over the term of the lease.

Tangible Fixed Assets

Tangible fixed assets are accounted for as follows:

- The church land and buildings are stated at cost. Depreciation is not provided as the estimated residual value is considered to be the same or higher than the carrying value of the property in the accounts.
- The church manses are stated at valuation, with the most recent valuation taking place as at 31 December 2015 and the next valuation is expected to take place for the year ended 31 December 2022. Depreciation is not provided as the estimated residual value is considered to be the same or higher than the carrying value of the property in the accounts.
- The cost of furniture, fittings and equipment, less any expected residual value, is depreciated on a straight line basis over the effective useful life of the asset, which has been estimated as three years.

Investments

Programme related investments, are shown at market value. Realised and unrealised gains and losses on investments are reflected through the Statement of Financial Activities. Programme related investments are investments made directly in pursuit of the church's charitable purpose.

Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

Creditors and provisions

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

Fund accounting

The funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Endowment funds - these are funds whose capital must be maintained.

**Notes to the Financial Statements
For the year ended 31 December 2022**
2. Income

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Donations & legacies				
Offerings and donations	182,625	5,853	188,478	190,220
Income tax reclaimed	33,362	198	33,560	23,231
Grants	-	2,758	2,758	-
	<u>215,987</u>	<u>8,809</u>	<u>224,796</u>	<u>213,451</u>
Other trading activities				
Lettings income	16,664	-	16,664	7,380
Investment income				
Interest	3,543	-	3,543	212
	<u>236,194</u>	<u>8,809</u>	<u>245,003</u>	<u>221,043</u>

3. Expenditure on Charitable Activities

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Provision of Ministers (see note 3a)	65,676	-	65,676	96,590
Provision of support staff (see note 3a)	55,487	-	55,487	53,379
Church life & outreach	15,371	1,395	16,766	14,864
Gifts & grants (see note 3b)	22,291	6,635	28,926	28,747
Office costs	11,490	5	11,495	18,512
Provision of Church building and facilities	25,565	26	25,591	30,526
Governance	1,900	-	1,900	1,580
	<u>197,780</u>	<u>8,061</u>	<u>205,841</u>	<u>244,198</u>

3a. Staff Costs

Included within Expenditure on Charitable Activities are the following staff costs:

	2022 £	2021 £
Gross salaries	131,000	129,817
Employer's National Insurance	11,157	10,604
Employer's Annual Allowance	(5,000)	(4,000)
Pension contributions (including movement on deficit pension provision)	(26,505)	7,686
	<u>110,652</u>	<u>144,107</u>
Of which the following salaries and pension contributions were in relation to Key Management Personnel:		
Gross salaries	107,055	105,970
Pension contributions (excluding movements on deficit pension provision)	7,590	7,489

3. Expenditure on Charitable Activities (continued)

3a. Staff Costs (continued)

No employee received emoluments in excess of £60,000 during the year. The three Ministers (2021: 3) lived in manse properties provided by the church.

The average number of employees during the year:

Full time workers
Part time workers

2022 Number	2021 Number
4	4
2	2
6	6

3b. Gifts to organisations and individuals

Included within Expenditure on Charitable Activities are the following gifts to organisations and individuals:

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Gifts to organisations				
Alzheimer's Society	-	-	-	158
Amyloidosis Fund 24	-	50	50	-
Andrew & Helen Curry SM	-	324	324	-
British Legion Poppy Appeal	-	56	56	46
British Red Cross	-	30	30	-
BUGB Home Mission	13,000	-	13,000	14,000
BMS World Mission	7,000	1,821	8,821	9,748
Cherry Lodge Cancer	-	229	229	-
Christian Aid	-	-	-	130
Hospice UK	-	229	229	-
Mill Grove Christian Charitable Trust	-	445	445	184
Operation Agri	-	492	492	870
Jews for Jesus	1,000	-	1,000	2,000
Kidney Research	-	179	179	-
Living Water Ministries	500	-	500	650
Shoe Box	-	-	-	50
United Christian Broadcasters	500	-	500	500
	22,000	3,855	25,855	28,336
Gifts to individuals	291	2,780	3,071	411
	22,291	6,635	28,926	28,747

4. Net Income/(Expenditure)

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
This is stated after charging:				
Independent examiner's remuneration	1,900	-	1,900	1,580
Other fees paid to independent examiner	624	-	624	1,115
Depreciation – owned assets	1,057	-	1,057	798
Hire of plant and machinery under operating leases	1,054	-	1,054	1,054

5. Tangible Fixed Assets

	Freehold land & buildings: Church £	Freehold land & buildings: Manse £	Fixtures, fittings & equipment £	Total £
Cost/valuation				
At 1 January 2022	286,725	1,170,000	46,523	1,503,248
Additions	-	-	439	439
Disposals	-	-	-	-
At 31 December 2022	286,725	1,170,000	46,962	1,503,687
Depreciation				
At 1 January 2022	-	-	43,999	43,999
Charge For Year	-	-	1,057	1,057
Disposals	-	-	-	-
At 31 December 2022	0	0	45,056	45,056
Net Book Value				
At 31 December 2022	286,725	1,170,000	1,906	1,458,631
At 31 December 2021	286,725	1,170,000	2,524	1,459,249

All of the fixed assets are used for charitable purposes. The church's residential (manse) properties and their valuations are:

	31 December 2015 valuation
The Manse, 74 Stanley Road, Edmonton, London N9 9AB	395,000
The Manse, 19 Cyprus Road, Edmonton, London N9 9PG	400,000
The Manse, 78 King Edwards Road, Edmonton, London N9 7RP	375,000
	1,170,000

The valuation of the residential properties was undertaken by the Church Executive with reference to local market values and recent sold prices.

6. Fixed Asset Investments

The programme related investment is represented by 1100 ordinary shares of 10p in Traidcraft PLC. It has been possible to buy or sell Traidcraft shares through a matched bargain service run by the stockbrokers, Ethex, a not-for-profit broker in ethical investments. As at 31 December 2018 the shares had been suspended pending more certainty about the future operations of the business as a result of a restructuring. For prudence the shares have continued to be valued at nil at 31 December 2022.

Traidcraft's stated mission is to fight poverty through trade, practising and promoting approaches to trade that help poor people in developing countries transform their lives. Established in 1979 as a Christian response to poverty, Traidcraft combines a trading company and a development charity. Traidcraft builds lasting relationships with producers, support people to trade out of poverty and work to bring about trade justice.

Early in 2023 Traidcraft was placed into administration.

7. Debtors

	2022 £	2021 £
Prepayments	3,582	2,228
Rent receivable	580	120
Gift Aid Receivable	8,127	8,893
	12,289	11,241

8. Creditors - Amounts Falling Due Within One Year

	2022 £	2021 £
Accruals	(1,800)	1,700
Trade creditors	1,180	940
Other creditors including tax and social security	1	90
	(619)	2,730

9. Provisions

	2022 £	2021 £
Balance brought forward	40,700	50,627
Deficit contributions made in the year	(5,151)	(8,691)
Interest cost plus change in agreed deficit recovery plan and change in assumptions between year ends	(35,549)	(1,236)
	0	40,700

The provision is in respect of deficit pension contributions due to the Baptist Pension Scheme. The current deficit reduction plan requires contributions to be made until June 2026. The provision has been calculated based on the current deficit contributions, assuming they will increase by inflation, and the total liability has been discounted to present value using a market bond rate, using the following assumptions set by reference to the duration of the deficit recovery payments:

**Notes to the Financial Statements
For the year ended 31 December 2022**
9. Provisions (continued)

	31 Dec 2022	31 Dec 2021	31 Dec 2020
Discount rate	5.7%	2.0%	1.4%
Future increases to Minimum Pensionable Income	5.6%	3.2%	3.3%

See note 12 for further explanation of the church's pension commitment.

10. Restricted Funds

10a Current year	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2022 £
Afghanistan	30	-	(30)	-	-	0
Amyloidosis Fund	0	50	(50)	-	-	0
Andrew & Helen Curry SM	0	324	(324)	-	-	0
Baptist Mission Society	480	936	(1,356)	-	-	60
BMS Ukraine Appeal	0	465	(465)	-	-	0
Bob Fagan Fund	1,025	625	-	-	-	1,650
CDs	0	100	(129)	29	-	0
Cherry Lodge Cancer Care	0	229	(229)	-	-	0
Church Directory	161	-	-	-	-	161
Communion Fund	10	-	-	-	-	10
EBC Preschool	0	1,502	(1,502)	-	-	0
EB Women of Faith	0	355	-	-	-	355
Flowers	25	57	-	-	-	82
Evangelism	0	-	(653)	653	-	0
Food bank	386	-	(78)	-	-	308
Front door replacement	11,090	-	-	-	-	11,090
Homeless Grant	0	1,256	(1,256)	-	-	0
Homeless Project	1004	15	(400)	-	-	619
Hospice UK	0	229	(229)	-	-	0
Kidney Research UK	0	179	(179)	-	-	0
Live streaming equipment	5,010	200	(94)	-	-	5,116
Memorial bench	12	-	-	-	-	12
Mill Grove Charitable Trust	150	587	(445)	-	-	292
Ministers Discretionary Fund	220	-	-	-	-	220
MUMMs	75	-	-	-	-	75
New Building Fund	12,213	-	-	-	-	12,213
Operation Agri	0	492	(492)	-	-	0
Poppy Appeal	0	56	(56)	-	-	0
Sunday school	5,063	359	-	-	-	5,422
Sunday School Friday Club	0	500	(44)	-	-	456
Thursday Lunch Club	445	-	(50)	-	-	395
YAM	358	-	-	-	-	358
Youth budget	542	-	-	-	-	542
Youth Holiday Club	723	293	-	-	-	1016
Youth Studio Fees	65	-	-	-	-	65
	39,087	8,809	(8,061)	682	0	40,517

**Notes to the Financial Statements
For the year ended 31 December 2022**
10. Restricted Funds (continued)

10b Prior year	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2021 £
Afghanistan	0	30	-	-	-	30
Alzheimer's Society	0	158	(158)	-	-	0
Baptist Mission Society	420	1,808	(1,748)	-	-	480
Bob Fagan Fund	1,025	-	-	-	-	1,025
Christian Aid	0	130	(130)	-	-	0
CDs	0	229	(229)	-	-	0
Church Directory	161	-	-	-	-	161
Communion Fund	0	10	-	-	-	10
EBC Preschool	15	-	(15)	-	-	0
Flowers	0	25	-	-	-	25
Food bank	386	-	-	-	-	386
Front door replacement	11,010	80	-	-	-	11,090
Homeless	957	520	(473)	-	-	1,004
Live streaming equipment	716	6,421	(927)	(1,200)	-	5,010
Living Waters	0	150	(150)	-	-	0
Memorial bench	12	-	-	-	-	12
Mill Grove Charitable Trust	185	150	(185)	-	-	150
Ministers Discretionary Fund	0	300	(80)	-	-	220
MUMMs	75	-	-	-	-	75
New Building Fund	12,213	-	-	-	-	12,213
Operation Agri	16	859	(875)	-	-	0
Poppy Appeal	0	45	(45)	-	-	0
Samaritan's Purse	0	50	(50)	-	-	0
Sunday school	4,995	68	-	-	-	5,063
Thursday Lunch Club	445	-	-	-	-	445
YAM	288	70	-	-	-	358
Youth budget	0	542	-	-	-	542
Youth Holiday Club	723	-	-	-	-	723
Youth Studio Fees	65	-	-	-	-	65
	33,707	11,645	(5,065)	(1,200)	0	39,087

Descriptions of the main restricted funds are as follows:

Bob Fagan Fund. Bursary for youth trips.

Front Door Replacement Fund. Funds received for the replacement of the church front door.

Mill Grove Christian Charitable Trust. Mill Grove is a Christian Charity supporting families including respite and residential care in London.

New Building Fund. The capital represents the residue of monies raised by appeal for the erection of the present church building in 1976 and can be used for capital expenditure on the church building. The income can be used for maintenance and upkeep and has been included within unrestricted income.

11. Operating Lease Commitments

The total future minimum lease payments under non-cancellable operating leases are payable:

	2022 £	2021 £
Not later than one year	1,006	1,006
Later than one year and not later than five years	754	1,760
	1,760	2,766

12. Pensions

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited). The assets of the Scheme are held separately from those of the Employer and the other participating employers. The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that the scheme is accounted for as if the Scheme were a defined contribution scheme.

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. Prior to this date the main benefit provided through the **Defined Benefit (DB) Plan** was a 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 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 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 Unum Limited. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

The Ministers and some members of the church staff are eligible to join the Scheme, which is not contracted out of the State Second Pension.

A formal valuation of the DB Plan as at 31 December 2019 was undertaken by a professionally qualified actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Church and the other participating employers in the DB Plan are collectively responsible for funding this deficit.

The key financial assumptions underlying the valuation were as follows

Type of assumption	% p.a.
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increase Adjustment (above CPI)	0.50
Assumed investment returns	
• Pre-retirement (gilt yield plus 1.75% pa)	2.95
• Post retirement (gilt yields plus 0.5%)	1.70

**Notes to the Financial Statements
For the year ended 31 December 2022**

12. Pensions (continued)

Type of assumption	% p.a.
• Pre April 2009	3.20
• Post April 2009	2.50
Pension increases	
• Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

Mortality is assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. for females with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme is due as at 31 December 2022.

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026. These contributions were broadly based on each employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022.

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. A provision has been included in the accounts for the amounts due under this agreement in accordance with section 28.11A of FRS 102 (see note 9). Accordingly, the income and expenditure account charge for the period represents the employer contributions payable as adjusted for the movement in the provision. The total pension cost for the Church in 2022 was £26,505 (2021: net credit of £7,686) after taking into consideration movements on the pension deficit provision.

13. Related Party Transactions

Rev Stephen Peake, a Managing Trustee and member of the Church Executive, received gross remuneration of £30,938 (2021: £30,625) and pension contributions of £2,245 (2021: £2,214) during the year in his employed capacity of Associate Minister. Stephen Peake also occupied a Church manse, rent free, as part of his contract of employment for the better performance of his duties.

Isaac Ameyaw, a Managing Trustee and member of the Church Executive, received gross remuneration of £24,750 (2021: £24,500) and pension contributions of £1,874 (2021: £1,847) during the year in his employed capacity of Youth Minister. Isaac Ameyaw also occupied a Church manse, rent free, as part of his contract of employment for the better performance of his duties.

William Clark, a Managing Trustee and member of the Church Executive, received gross remuneration of £24,750 (2021: £24,500) and pension contributions of £1,874 (2021: £1,847) during the year in his employed capacity of Evangelism and Outreach Minister. William Clark also occupied a Church manse, rent free, as part of his contract of employment for the better performance of his duties.

The members of the Church Executive gave a total of £13,708 (2021: £14,726) in unrestricted offerings and donations during the year.