

AVENUE BAPTIST CHURCH

England & Wales · Charity number 1129069

Details

Status Registered

Legal form Previously excepted

Registered 2009-04-08

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

Contact

Address 14 Avenue Terrace
Westcliff-on-Sea
SS0 7PL

Phone 01702331024

Email admin@avenuebaptist.com

Website www.avenuebaptist.com

Activities

Objects: 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.

Activities: Baptist Church, conducting public weekly Christian services, and providing activities and groups for the local community of central Southend i.e Playgroup, Toddler groups, youth and childrens work, mens and ladies work, adults with learning disabilities

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Religious Activities, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM AND/OR OTHER PARTS OF THE WORLD
- Southend-on-sea

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£161,740	£176,796	-	-
2023-12-31	£185,195	£173,809	-	-
2022-12-31	£130,784	£170,926	-	-
2021-12-31	£105,691	£139,924	-	-
2020-12-31	£120,774	£184,382	-	-

Trustees

Name	Role	Appointed
JOY DOROTHY ROOKE		2024-03-17
Jacqueline Mavis Dickenson		2022-03-20
Litza Audrey Smith		2023-03-12
Pamela Jean Thompson		2018-03-18
Peter Thomas William Potter		2022-03-20
Rev Jane Amanda Guest		2022-07-01
STEPHEN JOHN EKINS		

AVENUE BAPTIST CHURCH

England & Wales - Charity number 1129069

Accounts

Charity registration number 1129069

AVENUE BAPTIST CHURCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

AVENUE BAPTIST CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S. Ekins (Secretary)	
	P. Thompson	
	J. Guest	
	P. Potter	
	J. Dickenson	
	L. Smith	(Appointed 12 February 2023)
Charity number	1129069	
Principal address	14 Avenue Terrace Westcliff on Sea Essex SS0 7PL	
Independent examiner	P A Stafford FCCA 457 Southchurch Road Southend on Sea Essex SS1 2PH	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
	Metro Bank One Southampton Row London WC1B 5HA	
Property Trustees	The Baptist Union Corporation Baptist House 129 Broadway Didcot Oxon OX11 8RT	

AVENUE BAPTIST CHURCH

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AVENUE BAPTIST CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

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

Objectives and activities

The Charity is governed by an Approved Governing Document which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination, including the advancement of education, community service and other such general charitable purposes in such parts of the UK and the world as the church shall determine.

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

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

Central to the work and witness of the church is the provision of regular public services of Christian worship. These take place each Sunday at 10.30 a.m. with most services being available online once the service has finished for any unable to attend in person. Worship is led by Rev Jane Guest supported by a variety of visiting preachers and preachers from within the church congregation. We have All Age worship once a month and Sunday School on the other Sundays for school aged children.

The trustees have read the Charity Commission guidance on Public Benefit and are satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

We celebrate the major Christian festivals with special services and activities. We see these – especially at Christmas time – as an opportunity to involve the local community. These events are advertised locally and on the website at www.avenuebaptist.com. Links with the local community and other churches in the city is something we are continuing to build. We have seen some success with one pilot community support project due to launch in February 2024.

The Church hosts a Playgroup, run daily from 9.15a.m. to 12.15 p.m. during school term times. This is subject to registration and inspection by Ofsted. In addition, one of the trustees meets with the playgroup manager to ensure effective oversight. The playgroup is run as a separate ministry of the church and is funded by childcare vouchers with a few parents opting to pay directly for the care offered. The playgroup keeps its own accounts and has been very well run for a number of years, having built up a surplus to cover salaries and costs in the event it needs to close down. At its 2023 OFSTED inspection the Playgroup was rated "Good". This is testament to the excellent work of the team and the care they offer to the children.

Church members also run "Little Pebbles" once a week. This is an all ability baby and toddler group which includes fathers and grandparents as well as mothers.

There is a popular group called "Seekers" serving adults with learning difficulties which meet regularly. Seekers provides support and discipleship to about 25 adults. It is run by volunteers with many years' experience in dealing with adults with learning difficulties. They meet regularly for social events and organise annual holidays and trips out. They also aim to contribute to our regular worship during the year. They are an integral part of the church family and bring a lot of joy to the wider membership. This group of people is not really specifically catered for in many other churches, so we are pleased to be able to provide a spiritual home for them offering support and encouragement.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

A church member also runs a bereavement support group specifically for parents who have lost children. This is a group open to all the community and has seen numbers grow steadily. We have seen some members of this group become part of our regular worship. It again demonstrates the positive effect we are having on people's lives.

The church also operates a Women's House of Prayer group. This has continued with women praying for each other, their families, friends and acquaintances via WhatsApp.

The church runs groups for young people weekly during term time. We cater for ages from 5 to 16 divided into 2 groups that meet on Tuesdays. The groups provide age appropriate activities including craft and games and each session includes a Bible study. We were also able to start a new group for young people- Junior Worship Band. This meets every Wednesday and with expert tuition encourages children to learn or develop skills with a musical instrument. The group took part in one of our Christmas activities.

Our church building is also hired out or made available to outside groups ranging from the local National Trust branch, a local Family History group, a Child Contact Centre to a local sight loss charity. The hiring is partly to raise funds for the church, but we also host groups that are in accord with our values. One example would be the Avenue Child Contact Centre. Although a separately registered and run charity we are pleased to host it as it is the only such organisation in the county. With its aim of fostering/repairing relationships between children and their non-resident parent it very much fits with our mission of transforming lives.

The church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted via DBS, using the services of Due Diligence Checking Ltd. This is supported by safeguarding training run by the Eastern Baptist Association. During the year all trustees received training up to level 3.

The trustees have read the Charity Commission guidance on Public Benefit and are satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

Achievements and performance

2023 was the first full calendar year of Rev Guests ministry. She was able to introduce and support new initiatives during the year. The church is now open for prayer 4 days a week for a specific period in the morning. We also held a Passover meal at Easter for the first time in a number of years. This event was well attended and led by Rev Guest. We also joined with other churches in Southend for a Good Friday service in Chalkwell Park.

Rev Guest also hosted events at the manse. One was to raise funds for International Needs empowering families in Africa and the other a summer social event. Both were very successful.

Attendances on Sundays have steadily increased through the year as have the number of people seeking to become church members and thereby become involved in the church decision making.

We had 5 baptisms in 2023 all on one very special day for the church. One of them was unplanned as the person was moved on the day to offer themselves for baptism. One of the other candidates had only been coming to our church for a few weeks because they had felt the call to be baptised while walking past. We see this as proof that God is working through Rev Guests' ministry in the area.

We sought to provide support to the community and church family via our very active Pastoral Care Team supported by Rev Guest and established a heating fund to help those in our church who needed help with energy bills due to the cost of living pressures.

Rev Guest also led a Post Covid Café. This enabled people to process any issues still lingering from Covid and lockdowns and all the restrictions. Following on from this there was demand for an Art Therapy course which is run by members of the congregation once a month.

2 members were inspired to start a regular weekly get together for some of the older people in the church who are not very mobile. This was a successful initiative and will be repeated this year.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

We successfully recruited a new Children and Family Worker from within the church family following the resignation of the previous incumbent for family reasons. We were able to continue with the Tuesday provision for children and in the summer offered a "Summer Fun" activity. Over 3 days in one week of the school summer holiday we provided activities and food for local children and their parents. We saw over 100 people attend each day with some coming to other church activities as a result. In December we hosted a Bubble Party provided by Doug Horley a well known Christian children's entertainer. The church decided to subsidise ticket process to make the event more affordable. We had 184 children and adults attend.

The Church has been active socially also with trips organised throughout the year to The Thames Estuary (boat trip), a group walk along Southend Pier with a visit to the RNLI station and to St Pauls Cathedral at Christmas. Sadly a planned Family Beach Day was rained off.

During the year the church was very generously gifted a minibus by another charity. This has already been used for days out and for transporting some of our less mobile attenders to church on some Sundays. We aim to maximise its use during this year. This will include lending it to other non-profit organisations to further benefit our community.

We hosted the Yardarm Folk Orchestra for a fund raising concert in June. We also hosted Lifechoices gospel choir in July for a really successful evening of worship.

We also took part in a fund raising initiative for the local Christian hospice – Fairhavens. We purchased a small resin elephant as part of the "Herds in the City" initiative. The money to buy the elephant was raised from within the church. Our elephant was decorated by children from the church and put on public display for the duration of the event. It now resides within the church entrance.

We continue to try and provide activities for the community and the church family with a good deal of success. However like many charities we are reliant on volunteers and in 2024 will seek to get more people involved to avoid volunteer fatigue as we pursue our charitable objective.

As reported last year Rev Kilpin took the decision to step down from his ministry at Avenue at the end of April 2023. We continue to consider how best to replace him and expect to finalise this during 2024.

We are aware that communication via social media is now vitally important and along with our website we will be working to improve the church's online presence and capability following Baptist Union guidelines.

2023 was our first "normal" year since 2019. We had a full time minister in place for the whole year and of course were free of any Covid disruptions.

We feel positive about the future whilst recognising that there is more we wish to do. We are dependent on the help of a small band of volunteers and are so grateful for the work they do.

Stephen Ekins– Secretary

Financial review

The management of Avenue finances continued with the existing Finance Team under the guidance of Cheryl Dungey as Treasurer. The Finance team continued to use QuickBooks to manage church finances. During the year we started to use the invoicing function on QB to replace the previous manual system. This led to an improvement in cash flow.

The Charity has again posted a cashflow deficit in 2023. We had forecast a deficit of near £40,000 for 2023 but in the event the deficit is £21,644. We had not anticipated Rev Kilpin leaving when we set the budget and as he was not replaced during the financial year we made a saving on his employment, pension and salary costs. This saved us around £13,000 in the year. We are still deciding how to replace him and our 2024 budget does include a provision for these employment costs. We had also budgeted for a big rise in utility costs – especially over the winter quarter. However this has not really materialised. This is partly down to the mild winter and proactive management of the building by our caretaker. We had budgeted for £24,000 of energy bills but in the event this has come in at around £15,000. There is a degree of confusion over the utility bills and their timing which we are currently exploring with our energy broker – Utility Aid.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

We also had no major outlay on premises in 2023. We did need to repair a leak in the roof at a cost of £3,000 and a broken glass panel at £1,500. We also chose to insulate and double glaze our smaller hall. This was an investment to try and reduce heat loss and was partly funded via the 2023 Thank offering. The total cost for this work was £8,000.

Whilst this is all encouraging we did not see a great deal of growth in actual giving during 2023. There was no real change in the level of offertory donations and an increase of £2,000 in gift aided giving. This reflects straitened times for many of our congregation- a lot of whom are on fixed incomes. The overall economic situation continues to pose difficulties for many people.

The church was the recipient of a very generous gift from Avenue Trust in addition to the continuing mission grant they pay us. They provided the church with a 17 seat minibus to be used for church activities and which can be lent to other charities. We have decided for now not to charge for hiring the minibus as this would involve additional cost for the church in terms of regular safety and maintenance checks. There is that option however if we felt the need to use the gift as an income stream. The value of the minibus when purchased was £47,995.

Our investments with Rathbones continues to fluctuate in value but still remains above the initial deposit of £450,000. We had a review with Rathbones in 2023 – an FCA requirement- and agreed to continue with them as our managers. We pay around £7,000 annually for their services. All the investments are ethical and in accord with church beliefs. However, importantly the investment continues to provide an income stream which is estimated at £15,000 for 2024. So far we have not needed to call on the capital amount to fund the church activities and do not envisage doing so in the short term.

As part of our calling to bless other churches we did loan Southend City Baptist – a newly constituted church in Southend - £5,000. This was to allow urgent roof repairs. The repayments have already started and are funded by rental income from SCB property. The trustees saw the business plan from SCB regarding the rentals and agreed the loan with church members.

We have reviewed most of our suppliers for items such as waste collection and security. The conclusion was that although a few small savings could be made we are happy with the service we receive and the upheaval in changing is not worth the small reductions in cost. The only exception is the fire and security supplier where we are seeking a better service and will be changing supplier.

The interest on our loan to the Baptist Union has increased significantly in 2023 in line with other institutions.

At the year end, the charity had a cash position of £111,756 after generating a cashflow deficit of £21,644. This compares to a fund surplus of £50,003, which is created by the non-cash income recognized on the increase in value of our Rathbones investments (gain of £21,616 in the current year compared to a loss of £91,055 in 2022) and the donation value of the minibus, which is represented as donation income totaling £47,995. Therefore, whilst the charity has made a surplus of funds, this has not translated to an increase in cash available to the charity.

We only made one gift aid reclaim in 2023 and have some money "owing " to us as result for all of 2023 plus the GASDS for 2023.

With the decision pending on recruiting a new member of staff we are hopeful that with favourable utility costs and an uplift in giving that we may be nearer than ever in recent years to a sub four figure deficit or even break even. We own 3 old properties and there will always be unexpected repair bills. We also really would like to see an increase in giving from members but appreciate that is a difficult message in these straitened times. We are confident that the work of the church will not be impacted by its financial situation as we have assets and some cash to fund everything we currently want to do.

Having looked at the results with the other trustees we are happy that the church is a going concern. We have £50,500 on deposit with the Baptist Union to effectively use as a reserve should the charity need to close down. We have £450,000 with Rathbones that even with deficit budgets will ensure the charity can continue to provide public benefit for years to come. Financial sustainability is still the medium term aim but for the first year since Covid this appears to be nearer than ever.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves policy

The trustees consider that maintaining a balance of £50,500 in the reserve account is a sufficient reserves policy as this represents approximately three months of salaries, including redundancy payments, and operating costs for the church. This policy would not include cash reserves for restricted funds. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Investment policy

Avenue Baptist Church has short to medium term investments and cash as set out in the balance sheet. The investment policy is to invest in short to medium term investments at institutional investment managers and banks with ethical products and where the risk and returns are acceptable to the membership.

Major risks

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

The Trustees are ultimately responsible for the system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve the church's objectives and can only provide reasonable and not absolute assurance against material misstatement of loss. The trustees are responsible for the identification and evaluation of significant risks applicable to all areas of the church together with the design and operation of suitable controls. These risks are assessed on a continuing basis and may be associated with a variety of internal or external sources including control breakdowns, disruption in information systems, natural catastrophe and regulatory requirements. The Church property is covered by specialist church insurance underwritten by Axa to mitigate some of these risks.

Cheryl Dungey **Treasurer**

Plans for future periods

It is the church's wish to continue to serve as a place of worship for the spiritual benefit of its congregation and as a place to support community efforts that are in line with its objectives. The church will continue to carry out current activities that support its mission and objectives.

Structure, governance and management

The charity is an unincorporated association.

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

S. Ekins (Secretary)	
M. Adams	(Resigned 12 March 2023)
P. Thompson	
J. Kilpin	(Resigned 30 April 2023)
P. Mulligan	(Resigned 14 June 2023)
J. Rooke	(Resigned 12 March 2023)
C Dungey	(Resigned 17 March 2024)
B Williams	(Resigned 17 March 2024)
J. Guest	
P Potter	
J Dickenson	
L Smith	(Appointed 12 February 2023)

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Recruitment and appointment of trustees

Members of the church are accepted in accordance with the constitution which requires them to make a public profession of faith in Jesus Christ, preferably but not compulsorily through baptism by immersion.

The members' Meeting normally takes place 6 times a year including 1 Annual General Meeting and has the responsibility for the overall policy of the church. In accordance with the Constitution the members appoint up to 13 Trustees, including the Secretary and the Treasurer, who together with the Minister(s), are collectively known as the Diaconate. They are responsible for the day to day running of the church's work and witness and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Trustees are elected at the AGM of the Church. The Treasurer and Secretary are appointed annually, and Deacons are appointed from within the membership for a 3 year term. The Deacons are required to stand down for at least one year following 9 years of continuous service. Ministers are trustees by virtue of their position and remain trustees as long as they are employed by the church.

Prior to standing for the position new trustees must be nominated and seconded by church members of good standing. They are spoken to by the Minister who will underline the legal as well as spiritual side of serving in Church. New trustees are given access to Charity Commission and BUGB material to help them understand the responsibilities and expectations of the position.

All Trustees are required to pass a DBS check which is maintained up to date throughout their tenure and undergo regular Safeguarding training provided by the Eastern Baptist Association.

The Diaconate meet monthly and the agenda is varied depending on issues that arise but also has fixed items covering Finance, Health & Safety and Safeguarding. Any matters that need urgent discussion between meetings are coordinated by the Secretary usually by email or Video Conference. There are separate committees for Finance, Premises and Safeguarding who have responsibility for day to day issues. They refer any matters of wider concern e.g. major fabric spend to the Diaconate and/or wider membership as appropriate.

The Diaconate refers any matters of policy or items of large expenditure to the bimonthly members meetings. The church members have the ultimate say in all but day to day/low budget matters.

Other matters

The Minister and Children & Family Worker receive remuneration from the charity as a function of their employment. The minister's remuneration is based on the annual stipend increases published by the Baptist Union of Great Britain. The charity uses the same percentage increases for the Children & Family Worker. Trustees other than the minister and Children and Family Worker decide if and by how much their annual remuneration should increase by using the BU figures as a guide. Remuneration is also set considering the general financial situation of the church.

The Children & Family Worker was elected as trustee before the Children & Family Worker post became vacant. After successfully applying for the post the church members agreed that the Children & Family Worker should continue as a trustee of the charity observing the caveats and conditions in the church constitution.

The Trustees maintain a register of related party transactions and there were none concluded in 2023.

As part of the Baptist Union of Great Britain we are able to access support and practical help with all aspects of running the charity. As a church we adopt BU policies on all matters such as GDPR, Employment, Safer Recruitment and Safeguarding. This ensures we are adopting best practice.

Outsourcing is limited to payroll functions where we do not have the resource or expertise in house to manage this aspect. We also outsource management of our rental property to a professional letting agent.

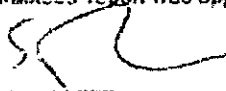
The Baptist Union Corporation is noted above as a trustee. They hold title to the church buildings – as they do for many Baptist churches in the UK. They have no role in the running of the church but are there in the event the charity ceases to exist. In that event they would step in and oversee closure of the church and disposal of assets. They would also be involved if the church decided to sell any of its properties.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees' report was approved by the Board of Trustees



S. Ekins (Secretary)
Trustee

Date 16.10.2024

AVENUE BAPTIST CHURCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

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

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

AVENUE BAPTIST CHURCH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF AVENUE BAPTIST CHURCH

I report to the trustees on my examination of the financial statements of Avenue Baptist Church (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

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


P A Stafford FCCA

457 Southchurch Road
Southend on Sea
Essex
SS1 2PH

Dated: 21.10.2024

AVENUE BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	136,192	17,001	153,193	91,707	10,000	101,707
Charitable activities	4	24,550	-	24,550	13,956	125	14,081
Investments	5	24,453	-	24,453	25,121	-	25,121
Total income		<u>185,195</u>	<u>17,001</u>	<u>202,196</u>	<u>130,784</u>	<u>10,125</u>	<u>140,909</u>
Charitable activities	6	<u>159,792</u>	<u>14,017</u>	<u>173,809</u>	<u>170,926</u>	<u>9,946</u>	<u>180,872</u>
Net gains/(losses) on investments	10	<u>21,616</u>	<u>-</u>	<u>21,616</u>	<u>(91,055)</u>	<u>-</u>	<u>(91,055)</u>
Net income/(expenditure) and movement in funds		<u>47,019</u>	<u>2,984</u>	<u>50,003</u>	<u>(131,197)</u>	<u>179</u>	<u>(131,018)</u>
Reconciliation of funds:							
Fund balances at 1 January 2023		<u>559,752</u>	<u>31,898</u>	<u>591,650</u>	<u>690,949</u>	<u>31,719</u>	<u>722,668</u>
Fund balances at 31 December 2023		<u><u>606,771</u></u>	<u><u>34,882</u></u>	<u><u>641,653</u></u>	<u><u>559,752</u></u>	<u><u>31,898</u></u>	<u><u>591,650</u></u>

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

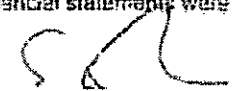
AVENUE BAPTIST CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		48,293		5,282
Investments	13		458,805		447,273
			<u>505,098</u>		<u>453,555</u>
Current assets					
Debtors	15	43,005		13,160	
Cash at bank and in hand		111,755		133,400	
		<u>154,761</u>		<u>146,560</u>	
Creditors: amounts falling due within one year	16	18,206		8,455	
Net current assets			<u>136,555</u>		<u>138,095</u>
Total assets less current liabilities			<u>641,653</u>		<u>591,650</u>
The funds of the charity					
Restricted income funds	18		34,892		31,898
Unrestricted funds			606,771		559,752
			<u>641,653</u>		<u>591,650</u>

The financial statements were approved by the trustees on 16 October 2024


S. Ekins (Secretary)
Trustee

AVENUE BAPTIST CHURCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	22		(57,493)		(69,812)
Investing activities					
Purchase of tangible fixed assets		(688)		-	
Purchase of investments		(21,557)		(45,848)	
Proceeds from disposal of investments		33,641		47,122	
Investment income received		24,453		25,121	
Net cash generated from investing activities			35,849		26,395
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(21,644)		(43,417)
Cash and cash equivalents at beginning of year			133,400		176,817
Cash and cash equivalents at end of year			111,756		133,400

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Avenue Baptist Church is a charitable unincorporated association which is governed by its constitution dated 26th July 2015. This entity is a public benefit entity.

1.1 Accounting convention

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

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used or as specially designated by the trustees. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

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

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

Gift Aid is recognised in the accounting year the relevant donation is recognised.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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

AVENUE BAPTIST CHURCH

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

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% Reducing Balance
Computers	40% Reducing Balance
Motor vehicles	10% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

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

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

AVENUE BAPTIST CHURCH

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

3 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	88,197	3,551	91,748	83,539	-	83,539
Legacies receivable	-	-	-	8,168	-	8,168
General grants receivable	-	13,450	13,450	-	10,000	10,000
Donated goods and services	47,995	-	47,995	-	-	-
	<u>136,192</u>	<u>17,001</u>	<u>153,193</u>	<u>91,707</u>	<u>10,000</u>	<u>101,707</u>

4 Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations received for other organisations	-	-	-	-	125	125
Charitable rental income	24,550	-	24,550	13,956	-	13,956
	<u>24,550</u>	<u>-</u>	<u>24,550</u>	<u>13,956</u>	<u>125</u>	<u>14,081</u>

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	6,862	10,200
Income from listed investments	13,868	13,689
Interest receivable	3,723	1,232
	<u>24,453</u>	<u>25,121</u>

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Expenditure on charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
Direct costs		
Staff costs	76,791	71,905
Depreciation and impairment	6,670	2,456
Premises costs	47,779	62,605
Events, organisations and missions	6,045	5,849
Administration expenditure	9,577	9,865
Legal and professional	7,779	7,751
Accountancy fees	6,180	2,850
	<u>160,821</u>	<u>163,281</u>
 Grant funding of activities (see note 7)	 12,988	 17,591
	<u>173,809</u>	<u>180,872</u>
 Analysis by fund		
Unrestricted funds	159,792	170,926
Restricted funds	14,017	9,946
	<u>173,809</u>	<u>180,872</u>

Charitable expenditure is allocated between restricted and unrestricted funds based the direct relation of the expenditure to the purpose of the fund. As salaries and employment benefits relate to the general running of the charitable activities these are funded through unrestricted funds.

As the entity pursues a single charitable activity, expenditure does not need to be allocated between activities

AVENUE BAPTIST CHURCH

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

7 Grants payable

	2023 £	2022 £
Grants to institutions:		
Baptist Home Mission - mission support	4,800	4,800
Baptist Missionary Society - mission support	6,000	6,000
McMillan Cancer Support	450	-
DEC Afghanistan Appeal	-	501
Havens Hospice - Herd in the City	990	-
Leprosy Mission - gifts received by church and passed on	20	-
International Needs UK	278	-
Order of St Stanislas Great Britain and Associated Territories	350	-
Yardarm Folk Orchestra	100	-
Winter Gardens - Mission support	-	5,290
Other	-	1,000
	<u>12,988</u>	<u>17,591</u>

The charity has made significant grants to institutions in the year in order to support missions or to pass on gifts received by the church and passed on to institutions.

8 Trustees

None of the trustees received any remuneration or expenses for their role as a trustee.

The following trustees are employed as ministers of the church, as well as having a role in the day to day running of the church and therefore form part of key management. Their remuneration is governed by the charity's constitution.

	2023		
	Remuneration	Pension Contribution	Total
J Guest	26,950	3,408	30,358
J Kilpin	4,494	418	4,912
L Smith	10,707	196	10,903
	2022		
	Remuneration	Pension Contribution	Total
J Guest	13,267	1,338	14,605
J Kilpin	15,095	660	15,755

AVENUE BAPTIST CHURCH

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

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	5	6
	<u>5</u>	<u>6</u>
Employment costs	2023 £	2022 £
Wages and salaries	71,857	63,670
Social security costs	252	-
Other pension costs	4,682	8,235
	<u>76,791</u>	<u>71,905</u>

The charity employed 2 full time staff during the year and 3 part time members of staff during the year. The full time equivalent number of staff represented 1 full time member of staff. Therefore the entity has full time equivalent staff in the year of 3.

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

10 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	22,417	(84,147)
Sale of investments	(801)	(6,908)
	<u>21,616</u>	<u>(91,055)</u>

11 Taxation

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

AVENUE BAPTIST CHURCH

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

12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost				
At 1 January 2023	10,773	4,063	-	14,836
Additions	-	688	47,995	48,683
At 31 December 2023	10,773	4,751	47,995	63,519
Depreciation and impairment				
At 1 January 2023	5,579	2,976	-	8,555
Depreciation charged in the year	1,298	573	4,800	6,671
At 31 December 2023	6,877	3,549	4,800	15,226
Carrying amount				
At 31 December 2023	3,896	1,202	43,195	48,293
At 31 December 2022	5,195	1,087	-	6,282

13 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2023	447,273
Additions	21,557
Valuation changes	21,616
Disposals	(33,641)
At 31 December 2023	456,805
Carrying amount	
At 31 December 2023	456,805
At 31 December 2022	447,273
	2023
	2022
Investments at fair value comprise:	£
	£
Listed Investments	456,805
Cash	(497,742)
	-
	466,827
	497,742

The book value of investments held at the year end is £415,793 (2022: £427,152)

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Financial instruments

	2023	2022
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	456,805	447,273

15 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	2,495	100
Other debtors	14,466	3,653
Prepayments and accrued income	26,044	9,407
	43,005	13,160

16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	789	-
Trade creditors	774	173
Other creditors	-	123
Accruals and deferred income	16,643	8,169
	18,206	8,465

AVENUE BAPTIST CHURCH

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

17 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £4,682 (2022 - £8,235).

Defined Benefit Scheme

The Church is a participating employer in the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity 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. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme. Since 1 January 2012 this scheme has operated through a defined contribution plan.

A formal valuation of the DB plan as at 31st December 2019, carried out by a professional Actuary using the Projected Unit Method, found the fund to be £18m in deficit of the assets required to pay the required benefits. The joint members of this scheme secured the deficit via insurance and instituted a recovery plan in August 2022. Under this recovery plan each participating employer is required to contribute £1 per month.

The Church considers that these contributions can be fulfilled via general unrestricted fund and so no separate designation of funds, or other financial provision, is required.

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
Mission Fund	16,589	11,140	(7,615)	20,114
Special Purpose Fund	13,677	3,000	(5,900)	10,777
Donations to External Organisations	1,632	411	(278)	1,765
Safe Space for Homework	-	2,000	-	2,000
Transforming Lives for Good	-	300	(162)	138
Post COVID Therapy	-	150	(62)	88
	<u>31,898</u>	<u>17,001</u>	<u>(14,017)</u>	<u>34,882</u>

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Restricted funds

(Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
Mission Fund	16,420	10,000	(9,831)	16,589
Special Purpose Fund	13,677	-	-	13,677
Donations to External Organisations	1,622	125	(115)	1,632
	<u>31,719</u>	<u>10,125</u>	<u>(9,946)</u>	<u>31,898</u>

The Mission Fund is restricted to use for outreach and mission within the community and is funded by a grant from an external organisation: The Avenue Trust. This fund is used to contribute to the salary of the ministry team and fund outreach events and resources.

The Special Purpose restricted fund is used to separate funds for specific one-off events from the general church funds and so is only used to fund the specific event in question.

The church collects donations for other causes which have similar or complementary objectives. The Donations to External Organisations fund is used to collate those donations and ensure they are paid out to those organisations.

Safe Space For Homework related to a local authority partnership grant for working alongside local schools to provide a safe, productive space for homework and learning. Expenditure related to this grant is anticipated to begin in the 2024 accounting period.

Transforming Lives for Good is a local charity grant partnership which continues into the 2024 accounting period, where the remaining funds are used.

Post COVID Therapy relates to a small local authority grant to aid with running costs of pastoral and community care projects undertaken by the entity.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
Pension deficit fund	111,357	-	(12)	(111,345)	-	-
Designated Legacy Fund	11,415	-	-	-	-	11,415
General funds	436,980	185,195	(159,780)	111,345	21,616	595,356
	<u>559,752</u>	<u>185,195</u>	<u>(159,792)</u>	<u>-</u>	<u>21,616</u>	<u>606,771</u>

AVENUE BAPTIST CHURCH

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

19 Unrestricted funds

(Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2022
	£	£	£	£	£	£
Pension deficit fund	114,715	-	(3,358)	-	-	111,357
Designated Legacy Fund	5,542	8,168	(2,295)	-	-	11,415
General funds	570,692	122,616	(165,273)	-	(91,055)	436,980
	<u>690,949</u>	<u>130,784</u>	<u>(170,926)</u>	<u>-</u>	<u>(91,055)</u>	<u>559,752</u>

Pension deficit fund - this fund is held as designated in anticipation of the total pension deficit due to the Baptist Union in relation to ministers and employees pensions. This fund has been returned to general unrestricted funds due to the change in conditions detailed in note 17.

Designated Legacy Fund- this fund constitutes legacies given the Avenue Baptist Church which no specific restrictions imposed upon them by the donor. The Trustees wish to use this fund on specific future projects so a visible return can be seen on the legacies given to the church.

20 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:			
Tangible assets	48,293	-	48,293
Investments	456,805	-	456,805
Current assets/(liabilities)	101,673	34,882	136,555
	<u>606,771</u>	<u>34,882</u>	<u>641,653</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:			
Tangible assets	6,282	-	6,282
Investments	447,273	-	447,273
Current assets/(liabilities)	106,197	31,898	138,095
	<u>559,752</u>	<u>31,898</u>	<u>591,650</u>

21 Related party transactions

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Related party transactions

(Continued)

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The church received a grant of £11,000 (2022: £10,000) from The Avenue Trust to support its mission work. The Avenue Trust is connected to the Church due to its common trustees.

22 Cash generated from operations

	2023 £	2022 £
Surplus/(deficit) for the year	50,004	(131,018)
Adjustments for:		
Investment income recognised in statement of financial activities	(24,453)	(25,121)
Loss on disposal of investments	801	6,908
Fair value gains and losses on investments	(22,417)	84,147
Non - cash donation of asset	(47,995)	-
Depreciation and impairment of tangible fixed assets	6,671	2,456
Movements in working capital:		
(Increase)/decrease in debtors	(29,845)	472
Increase/(decrease) in creditors	9,741	(7,656)
Cash absorbed by operations	(57,493)	(69,812)

23 Analysis of changes in net funds

The charity had no material debt during the year.

24 Prior period adjustment

The below prior year restatement has been completed to accurately represent legacy funds received in 2020 as unrestricted, as per the terms of the gift given by donor. These funds were allocated as restricted in error by the trustees at the time, an error which has been uncovered in the current year.

As the original funds were not restricted by the donor and the Trustees do not hold the constitutional power to restrict otherwise unrestricted funds, the financial statements have been adjusted to represent the nature of these funds.

AVENUE BAPTIST CHURCH

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

24 Prior period adjustment

(Continued)

Changes to the balance sheet

	At 31 December 2022		
	As previously reported	Adjustment	As restated
	£	£	£
Capital funds			
Income funds			
Restricted funds	135,063	(103,165)	31,898
Unrestricted funds	456,587	103,165	559,752
	<u> </u>	<u> </u>	<u> </u>
Total equity	591,650	-	591,650
	<u> </u>	<u> </u>	<u> </u>

Changes to the profit and loss account

	Period ended 31 December 2022		
	As previously reported	Adjustment	As restated
	£	£	£
Net movement in funds	(131,018)	-	(131,018)
	<u> </u>	<u> </u>	<u> </u>

AVENUE BAPTIST CHURCH

England & Wales - Charity number 1129069

Accounts

Charity Registration No. 1129069

AVENUE BAPTIST CHURCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

AVENUE BAPTIST CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S. Ekins (Secretary)	
	P. Thompson	
	C Dungey	
	B Williams	
	J. Guest	(Appointed 1 July 2022)
	P Potter	(Appointed 20 March 2022)
	J Dickenson	(Appointed 20 March 2022)
	L Smith	(Appointed 12 February 2023)
Charity number	1129069	
Principal address	14 Avenue Terrace Westcliff on Sea Essex SS0 7PL	
Independent examiner	P A Stafford FCCA 457 Southchurch Road Southend on Sea Essex SS1 2PH	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
	Metro Bank One Southampton Row London WC1B 5HA	
Property Trustees	The Baptist Union Corporation Baptist House 129 Broadway Didcot Oxon OX11 8RT	

AVENUE BAPTIST CHURCH

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AVENUE BAPTIST CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

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

Objectives and activities

The Charity is governed by an Approved Governing Document which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination, including the advancement of education, community service and other such general charitable purposes in such parts of the UK and the world as the church shall determine.

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

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

Central to the work and witness of the church is the provision of regular public services of Christian worship. These take place each Sunday at 10.30 a.m. with most services being livestreamed via Churchonline platform. Worship is led by Rev Jane Guest or Rev Kilpin supported by a variety of visiting preachers and preachers from within the church congregation. We have All Age Worship once a month.

We celebrate the major Christian festivals with special services and activities. We see these – especially at Christmas time – as an opportunity to involve the local community. These events are advertised locally and on the website at www.avenuebaptist.com. Links with the local community is an area we will be focussing on as we seek to spread the word of God throughout Southend.

The Church hosts a Playgroup, run daily from 9.15a.m. to 12.15 p.m. during school term times. This is subject to registration and inspection by Ofsted. In addition, trustees meet regularly with the playgroup manager to ensure effective oversight. The playgroup is run as a separate ministry of the church and is funded by childcare vouchers with a few parents opting to pay directly for the care offered. The playgroup keeps its own accounts and has been very well run for a number of years having built up a surplus to cover salaries and costs in the event it needs to close down. Numbers at the playgroup have rebounded and are now at pre Covid levels with a waiting list.

Church members also run "Little Pebbles" an all ability baby and toddler group which includes fathers and grandparents as well as mothers.

There is a popular group called "Seekers" serving adults with learning difficulties which meet regularly. Seekers provides support and discipleship to about 25 adults. It is run by volunteers with support from Rev Kilpin. They meet regularly for social events and organise annual holidays and trips. They also aim to contribute to our regular worship once or twice a year. They are an integral part of the church family and bring a lot of joy to the wider membership. This group of people is not really specifically catered for in many other churches, so we are pleased to be able to provide a spiritual home for them offering support and encouragement.

A church member also runs a bereavement support group for parents who have lost children. This is a group open to all the community and has seen numbers grow steadily. We have seen some members of this group become part of our regular worship. It again demonstrates the positive effect we are having on people's lives.

The church also operates a Women's House of Prayer group. This has continued with women praying for each other, their families, friends and acquaintances via WhatsApp.

The church runs groups for young people weekly during term time. We cater for ages from 5 to 18 divided into 3 groups that meets on Tuesdays.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Our church building is also hired out or made available to outside groups ranging from the local National Trust branch, a local Family History group, to a Child Contact Centre. The hiring is partly to raise funds for the church, but we also host groups that are in accord with our values. One example would be the Avenue Child Contact Centre. Although a separately registered and run charity we are pleased to host it as it is the only such organisation in the county and has seen referrals increase. With its aim of fostering/repairing relationships between children and their non-resident parent it very much accords with our mission of transforming lives.

The church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted via DBS, using the services of Due Diligence Checking Ltd. This is supported by safeguarding training run by the Eastern Baptist Association.

The trustees have read the Charity Commission guidance on Public Benefit and are satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

Achievements and performance

The end of 2021 and the first part of 2022 was focussed very much on the continuing search for a new full-time minister. During this period, we were blessed with a number of visiting preachers supported by Rev Kilpin.

After a process of careful discernment Rev Jane Guest was called to be the new full-time minister at Avenue by a Special Church Meeting in May. She started in post on 1 July 2022 and was formally inducted at a special service on 31 July 2022.

The arrival of Rev Guest galvanised many areas of church life and coupled with the end of all Covid restrictions meant that 2022 was a welcome return to pre-pandemic normality. Attendances grew steadily and although not above pre-Covid levels are healthy. The church continues to attract new worshippers – some stay and some move on as is usual – but the fact that new people still want to attend is encouraging.

We had 2 baptisms in 2022 – both for relatively new attenders. One was an asylum seeker – a persecuted Christian – and we were able to celebrate him being given leave to remain in the UK soon after the baptismal service. The church leaders were involved with the Home Office in helping to assess the asylum claim.

We organised some very successful “Fun Days” – community events held at the church. The first was for the Queens Jubilee. We had over 100 people visit the church with entertainment for the children and then held a similar Christmas event in December. Attendance was again well over 100 from the local community. In addition, we held two concerts to raise funds for external charities both were well received and attended by members of the local community.

We were able to run all of our groups in person. This included the Children and Youth work on Tuesdays, the Bereaved Parents Support Group, the Seekers group, and the Avenue Ladies group.

One important initiative launched by Rev Guest was to ensure that there was a Sunday School option running every Sunday for children. Previously we had struggled with volunteers so were only able to offer Sunday school on 1 Sunday a month. Rev Guest put a structure in place so that we were able to offer something every Sunday – this has made the church more attractive to parents with younger children.

We returned to in person church meetings and held 7 in the year including an AGM. Member engagement in running the church could be better but every meeting was always quorate. We have seen new members confirming Avenue Baptist as their spiritual home which has been most welcome.

2022 saw a great deal of change at Avenue but welcome change as, with Rev Guest joining us as our new full-time minister, we were able to rebuild our church after 2 years of disruption. We continue to provide a real service to the community with the various activities and groups and look forward to growing and serving under the leadership of Rev Guest in 2023.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

The management of Avenue finances continued with the existing Finance Team which was strengthened to 4 people at the beginning of 2022. The Finance team continued to improve their knowledge of QuickBooks and manage church finances using that software platform.

The Charity has posted a deficit in 2022 of £39k (2021: £31K) before losses on investments, despite increased income of £141k compared to £117k in 2021. We were expecting this for two main reasons. We commenced the employment of Rev Jane Guest from 1 July 2022 on the full-time minister's stipend. Related to this we had to extensively refurbish the accommodation provided to Rev Guest and her family – the church manse. As a church we took the decision to set aside an initial £25,000 from the deposit account to cover this. Work started in early 2022 and was completed in early October. The overall cost was just over £25,000 including replacement of all carpets. We used local tradespeople and tendered wherever practical for the work. So, although this hit cash flow and reserves, it was a necessary investment in what is an old property to make sure it is suitable for Rev Guest and her family. Again, this was included in our budget for 2022; so was not a surprise.

In addition, we honoured a long-standing commitment to gift of just over £5,000 to Winter Gardens Baptist Church on Canvey. This was a tithe we set aside as part of blessing others as we were blessed during our own redevelopment project.

As mentioned earlier in the report, the leadership of a full-time minister has led to an increase in giving which rose by 19% in 2022. We did not receive any additional grants, but we received an extra £8,000 in rental income.

We did not receive any grants relating to Covid as we did in 2021. This accounted for about £20,000 of cash flow in 2021. We have reclaimed gift aid of £4,400 in 2023 which will accrue to the 2022 year improving the year end income figure.

The other big factors in 2022 were mentioned in our last report. The invasion of Ukraine and its aftermath have affected us. The cost-of-living crisis has no doubt affected what people feel able to give to the church. We have also had to pay increased costs due to inflation. This was seen in everything from the cost of paint to use on the manse refurb to the amount we pay for coffee. As a result, our expenditure in 2022 increased by £32,965. Half of that was due to the investment in the manse, £5000 due to our one-off gift to Winter Gardens and the rest can be attributed to general rising costs and Rev Guest's salary.

The overall economic situation also decreased the value of our investments with Rathbones, which suffered an unrealised loss of £91k this year, compared to a gain of £48k in 2021. We had a 3-yearly statutory review with Rathbones in 2022 – an FCA requirement – and agreed to continue with them as our portfolio managers. We pay around £7,000 annually for their services. All the investments are ethical and in accord with church beliefs.

This was partly offset by the surprising but welcome removal of the Pension Deficit contribution. The Baptist Union reached agreement with an insurer to effectively insure away the deficit which saves £1,300 per month for Avenue.

Taking all these factors into account we saw the charity funds reduce by £131k compared to the previous year. Our cash position was also worse by nearly £44k. As mentioned in the last report £50k was transferred to the Baptist Union Corporation Deposit fund. The interest on this will increase significantly in 2023 in line with other institutions. The remaining reduction is due to transfers from the CAF Gold account to cover the manse refurb and at other points to ease cash flow and pay invoices and salaries.

We could have been looking forward to a "steady" 2023 but a further financial challenge is waiting. Our energy costs – especially for electricity will increase substantially as our current contract ends. We currently pay around £5,000 for our winter electricity- (Q4 and Q1 combined) This will increase on current usage to £15k in 2023/24. To combat this, we are working with Utility Aid to look at ways of reducing usage and improving our buildings. This will inevitably involve more investment in buildings, and we may even reinstall gas boilers to replace the infra-red panels we have been using which are now set to cost a huge amount to use.

Having been elected in March 2023, the Treasurer has looked at the results with the other trustees and we are happy that the church continues to be a going concern. We have £50,000 on deposit with the Baptist Union to effectively use as a reserve should the charity need to close down. We have £450,000 with Rathbones that even with deficit budgets will ensure the charity can continue to provide public benefit for many years to come. Financial sustainability is still the medium-term aim and once the latest challenges have been overcome, we will be able to focus on achieving that.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

It is the policy of the trustees consider that maintaining a balance of £55,500 in the reserve account is a sufficient reserves policy as this represents approximately three months of salaries, including redundancy payments, and operating costs for the church. This policy would not include cash reserves for restricted funds. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Avenue Baptist Church has short to medium term investments and cash as set out in the balance sheet. The investment policy is to invest in short to medium term investments at institutional investment managers and banks with ethical products and where the risk and returns are acceptable to the membership.

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

The Trustees are ultimately responsible for the system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve the church's objectives and can only provide reasonable and not absolute assurance against material misstatement of loss. The trustees are responsible for the identification and evaluation of significant risks applicable to all areas of the church together with the design and operation of suitable controls. These risks are assessed on a continuing basis and may be associated with a variety of internal or external sources including control breakdowns, disruption in information systems, natural catastrophe and regulatory requirements. The Church property is covered by specialist church insurance underwritten by Aviva to mitigate some of these risks.

Plans for future periods

It is the church's wish to continue to serve as a place of worship for the spiritual benefit of its congregation and as a place to support community efforts that are in line with its objectives. The church will continue to carry out current activities that support its mission and objectives.

Structure, governance and management

The charity is an unincorporated association.

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

S. Ekins (Secretary)	
D. Causton	(Resigned 20 March 2022)
M. Adams	(Resigned 11 May 2023)
P. Gaff	(Resigned 20 March 2022)
P. Thompson	
J. Kilpin	(Resigned 11 May 2023)
P. Mulligan	(Resigned 14 June 2023)
J. Rooke	(Resigned 11 May 2023)
T. Wheeler	(Resigned 20 March 2022)
C. Dungey	
B. Williams	
J. Guest	(Appointed 1 July 2022)
P. Potter	(Appointed 20 March 2022)
J. Dickenson	(Appointed 20 March 2022)
L. Smith	(Appointed 12 February 2023)

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Members of the church are accepted in accordance with the constitution which requires them to make a public profession of faith in Jesus Christ, preferably but not compulsorily through baptism by immersion.

The members' Meeting normally takes place 6 times a year including 1 Annual General Meeting and has the responsibility for the overall policy of the church. In accordance with the Constitution the members appoint up to 13 Trustees, including the Secretary and the Treasurer, who together with the Minister(s), are collectively known as the Diaconate. They are responsible for the day to day running of the church's work and witness and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Trustees are elected at the AGM of the Church. The Treasurer and Secretary are appointed annually, and Deacons are appointed from within the membership for a 3 year term. The Deacons are required to stand down for at least one year following 9 years of continuous service. Ministers are trustees by virtue of their position and remain trustees as long as they are employed by the church.

Prior to standing for the position new trustees must be nominated and seconded by church members of good standing. They are spoken to by the Minister who will underline the legal as well as spiritual side of serving in Church. New trustees are given access to Charity Commission and BUGB material to help them understand the responsibilities and expectations of the position.

All Trustees are required to pass a DBS check which is maintained up to date throughout their tenure.

The Diaconate meet monthly and the agenda is varied depending on issues that arise but also has fixed items covering Finance, Health & Safety and Safeguarding. Any matters that need urgent discussion between meetings are coordinated by the Secretary usually by email or Video Conference. There are separate committees for Finance, Premises and Safeguarding who have responsibility for day to day issues. They refer any matters of wider concern e.g. major fabric spend to the Diaconate and/or wider membership as appropriate.

The Diaconate refers any matters of policy or items of large expenditure to the bimonthly members meetings. The church members have the ultimate say in all but day to day/low budget matters.

No current trustees receive any remuneration from the church other than the Ministers which they receive as a function of their employment. Their remuneration is based on the annual stipend increases published by the Baptist Union of Great Britain. Trustees other than the ministers decide if and by how much their annual stipend should increase by, using the BU figures as a guide. Stipends are set taking into account the general financial situation of the church also.

The Trustees maintain a register of related parties and The Avenue Trust is the only related party that the church has transacted with as it received income to support our mission work.

As part of the Baptist Union of Great Britain we are able to access support and practical help with all aspects of running the charity. We adopt BU policies on all matters such as GDPR, Employment and Safeguarding as a church. This ensures we are adopting best practice at all times.

We outsource very little at present. Outsourcing is limited to payroll functions where we do not have the resource or expertise in house to manage this function.

The Baptist Union Corporation is noted above as a trustee. They hold title to the church buildings – as they do for many Baptist churches in the UK. They have no role in the running of the church but are there in the event the charity ceases to exist. In that event they would step in and oversee closure of the church and disposal of assets. They would also be involved if the church decided to sell any of its properties.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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


.....
S. Ekins (Secretary)

Trustee

Date: 05 09 2023

AVENUE BAPTIST CHURCH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF AVENUE BAPTIST CHURCH

I report to the trustees on my examination of the financial statements of Avenue Baptist Church (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

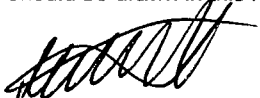
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting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

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

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

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

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



P A Stafford FCCA

457 Southchurch Road
Southend on Sea
Essex
SS1 2PH

Dated: 21.01.23

AVENUE BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	91,707	10,000	101,707	75,260	11,029	86,289
Charitable activities	4	13,956	125	14,081	5,902	204	6,106
Investments	5	25,121	-	25,121	19,351	-	19,351
Other income	6	-	-	-	5,178	-	5,178
Total income		130,784	10,125	140,909	105,691	11,233	116,924
<u>Expenditure on:</u>							
Charitable activities	7	170,926	9,946	180,872	139,924	7,983	147,907
Net gains/(losses) on investments	11	(91,055)	-	(91,055)	48,774	-	48,774
Net movement in funds		(131,197)	179	(131,018)	14,541	3,250	17,791
Fund balances at 1 January 2022		587,784	134,884	722,668	573,243	131,634	704,877
Fund balances at 31 December 2022		456,587	135,063	591,650	587,784	134,884	722,668

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

All income and expenditure derive from continuing activities.

AVENUE BAPTIST CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		6,282		8,738
Investments	13		447,273		539,602
			<u>453,555</u>		<u>548,340</u>
Current assets					
Debtors	15	13,160		13,632	
Cash at bank and in hand		133,400		176,817	
		<u>146,560</u>		<u>190,449</u>	
Creditors: amounts falling due within one year	16	(8,465)		(16,121)	
Net current assets			138,095		174,328
Total assets less current liabilities			<u>591,650</u>		<u>722,668</u>
Income funds					
Restricted funds	18		135,063		134,884
<u>Unrestricted funds</u>					
Designated funds	19	122,772		120,257	
General unrestricted funds		333,815		467,527	
			<u>456,587</u>		<u>587,784</u>
			<u>591,650</u>		<u>722,668</u>

The financial statements were approved by the Trustees on 05 09 2023

S. Ekins (Secretary)
Trustee

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Avenue Baptist Church is a charitable unincorporated association which is governed by its constitution dated 26th July 2015. This entity is a public benefit entity.

1.1 Accounting convention

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

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used or as specially designated by the trustees. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

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

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

Gift Aid is recognised in the accounting year the relevant donation is recognised.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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

AVENUE BAPTIST CHURCH

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

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% Reducing Balance
Computers	40% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

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

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	83,539	-	83,539	69,718	265	69,983
Legacies receivable	8,168	-	8,168	5,542	-	5,542
General grants receivable	-	10,000	10,000	-	10,764	10,764
	<u>91,707</u>	<u>10,000</u>	<u>101,707</u>	<u>75,260</u>	<u>11,029</u>	<u>86,289</u>

4 Charitable activities

	2022 £	2021 £
Donations received for other organisations	125	204
Charitable rental income	13,956	5,902
	<u>14,081</u>	<u>6,106</u>
Analysis by fund		
Unrestricted funds	13,956	5,902
Restricted funds	125	204
	<u>14,081</u>	<u>6,106</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Rental income	10,200	6,998
Income from listed investments	13,689	12,338
Interest receivable	1,232	15
	<u>25,121</u>	<u>19,351</u>

AVENUE BAPTIST CHURCH

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

6 Other Income

	Total	Unrestricted funds
	2022	2021
	£	£
Government grants	-	5,178

7 Charitable activities

	2022	2021
	£	£
Staff costs	71,905	62,786
Depreciation and impairment	2,456	3,516
Premises costs	62,605	46,039
Events, organisations and missions	5,849	2,857
Administration expenditure	9,865	4,661
Legal and professional	7,751	9,158
Accountancy fees	2,850	4,385
	<u>163,281</u>	<u>133,402</u>
Grant funding of activities (see note 8)	17,591	14,505
	<u>180,872</u>	<u>147,907</u>
Analysis by fund		
Unrestricted funds	170,926	139,924
Restricted funds	9,946	7,983
	<u>180,872</u>	<u>147,907</u>

Charitable expenditure is allocated between restricted and unrestricted funds based the direct relation of the expenditure to the purpose of the fund. As salaries and employment benefits relate to the general running of the charitable activities these are funded through unrestricted funds.

As the entity pursues a single charitable activity, expenditure does not need to be allocated between activities

AVENUE BAPTIST CHURCH

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

8 Grants payable

	2022 £	2021 £
Grants to institutions:		
Baptist Home Mission - mission support	4,800	4,900
Baptist Missionary Society - mission support	6,000	5,500
Church From Scratch Support	-	1,000
DEC Afganistan appeal	501	-
Avenue Contact Centre - Mission support	-	2,000
Winter Gardens - Mission support	5,290	-
Other	1,000	1,105
	<u>17,591</u>	<u>14,505</u>

The charity has made significant grants to institutions in the year in order to support missions or to pass on gifts received by the church and passed on to institutions.

9 Trustees

None of the trustees received any remuneration or expenses for their role as a trustee.

The following trustees are employed as ministers of the church, as well as having a role in the day to day running of the church and therefore form part of key management. Their remuneration is governed by the charity's constitution.

	2022		Total
	Remuneration	Pension Contribution	
J Guest	13,267	1,338	14,605
J Kilpin	15,095	660	15,755
	2021		Total
	Remuneration	Pension Contribution	
A Picton	3,518	4,563	8,081
J Kilpin	15,450	2,661	18,111

10 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
<u>6</u>	<u>4</u>

AVENUE BAPTIST CHURCH

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

10 Employees

(Continued)

Employment costs	2022 £	2021 £
Wages and salaries	63,670	54,749
Social security costs	-	526
Other pension costs	8,235	7,511
	<u>71,905</u>	<u>62,786</u>

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

11 Net gains/(losses) on investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Revaluation of investments	(84,147)	46,116
Gain/(loss) on sale of investments	(6,908)	2,658
	<u>(91,055)</u>	<u>48,774</u>

12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 January 2022	10,773	4,063	14,836
At 31 December 2022	<u>10,773</u>	<u>4,063</u>	<u>14,836</u>
Depreciation and impairment			
At 1 January 2022	3,847	2,251	6,098
Depreciation charged in the year	1,731	725	2,456
At 31 December 2022	<u>5,578</u>	<u>2,976</u>	<u>8,554</u>
Carrying amount			
At 31 December 2022	<u>5,195</u>	<u>1,087</u>	<u>6,282</u>
At 31 December 2021	<u>6,926</u>	<u>1,812</u>	<u>8,738</u>

13 Fixed asset investments

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Fixed asset investments

(Continued)

	Unlisted investments £
Cost or valuation	
At 1 January 2022	539,602
Additions	45,848
Valuation changes	(91,055)
Disposals	(47,122)
At 31 December 2022	447,273
Carrying amount	
At 31 December 2022	447,273
At 31 December 2021	539,602

	2022 £	2021 £
Investments at fair value comprise:		
Listed Investments	497,742	(539,602)

The book value of investments held at the year end is £427,152 (2021: £429,211)

14 Financial instruments

2022
£

2021
£

Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	447,273	539,602

15 Debtors

2022
£

2021
£

Amounts falling due within one year:		
Trade debtors	100	4,356
Other debtors	3,653	8,939
Prepayments and accrued income	9,407	337
	13,160	13,632

AVENUE BAPTIST CHURCH

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

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	173	6,330
Other creditors	123	51
Accruals and deferred income	8,169	9,740
	<u>8,465</u>	<u>16,121</u>

17 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £8,235 (2021 - £7,511).

Defined Benefit Scheme

The Church is a participating employer in the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity 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. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, 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. Since 1 January 2012, benefits have been provided through a Defined Contribution (DC) Plan.

A formal valuation of the DB Plan as at 31 December 2019 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 next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022. 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.

Under the Schedule of Contributions the church makes a monthly payment in respect of the DB scheme deficit, the annual value of these payments is £3,358 in 2021, which will increase in line with increases in Minimum Pensionable Income. The Trustees have designated £130,000 from legacy income to the Pension Deficit Fund in order to fund these ongoing payments and any potential liability.

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£
Mission Fund	12,365	10,764	(6,709)	16,420	10,000	(9,831)	16,589
Special Purpose Fund	116,842	-	-	116,842	-	-	116,842
Donations to External Organisations	2,427	469	(1,274)	1,622	125	(115)	1,632
	<u>131,634</u>	<u>11,233</u>	<u>(7,983)</u>	<u>134,884</u>	<u>10,125</u>	<u>(9,946)</u>	<u>135,063</u>

The Mission Fund is restricted to use for outreach and mission within the community and is funded by a grant from an external organisation: The Avenue Trust. This fund is used to contribute to the salary of the minister and fund outreach events and resources.

The Special Purpose restricted fund is used to separate funds for specific one-off events from the general church funds and so is only used to fund the specific event in question.

The church collects donations for other causes which have similar or complementary objectives and this fund is used to collate those donations and ensure they are paid out to those organisations.

AVENUE BAPTIST CHURCH

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

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£
Pension deficit fund	120,379	-	(5,664)	114,715	-	(3,358)	111,357
Designated Legacy Fund	-	5,542	-	5,542	8,168	(2,295)	11,415
	<u>120,379</u>	<u>5,542</u>	<u>(5,664)</u>	<u>120,257</u>	<u>8,168</u>	<u>(5,653)</u>	<u>122,772</u>

Pension deficit fund - this fund is held as designated in anticipation of the total pension deficit due to the Baptist Union in relation to ministers and employees pensions.

Designated Legacy Fund- this fund constitutes legacies given the Avenue Baptist Church which no specific restrictions imposed upon them by the donor. The Trustees wish to use this fund on specific future projects so a visible return can be seen on the legacies given to the church.

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	6,282	-	6,282	8,738	-	8,738
Investments	347,273	100,000	447,273	439,602	100,000	539,602
Current assets/(liabilities)	103,032	35,063	138,095	139,444	34,884	174,328
	<u>456,587</u>	<u>135,063</u>	<u>591,650</u>	<u>587,784</u>	<u>134,884</u>	<u>722,668</u>

21 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The church received a grant of £10,000 (2021: £10,000) from The Avenue Trust to support its mission work. The Avenue Trust is connected to the Church due to its common trustees.

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22	Cash generated from operations	2022	2021
		£	£
	(Deficit)/surplus for the year	(131,018)	17,791
	Adjustments for:		
	Investment income recognised in statement of financial activities	(25,121)	(19,351)
	Loss/(gain) on disposal of investments	6,908	(2,658)
	Fair value gains and losses on investments	84,147	(46,116)
	Depreciation and impairment of tangible fixed assets	2,456	3,516
	Movements in working capital:		
	Decrease in debtors	472	18,774
	(Decrease)/increase in creditors	(7,656)	4,385
	Cash absorbed by operations	(69,812)	(23,659)
23	Analysis of changes in net funds		
	The charity had no debt during the year.		

AVENUE BAPTIST CHURCH

England & Wales - Charity number 1129069

Accounts

Charity Registration No. 1129069

AVENUE BAPTIST CHURCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

AVENUE BAPTIST CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S. Ekins (Secretary)	
	M. Adams	
	P. Thompson	
	J. Kilpin	
	P. Mulligan	
	J. Rooke	
	C Dungey	(Appointed 27 June 2021)
	B Williams	(Appointed 27 June 2021)
	J. Guest	(Appointed 1 July 2022)
	P Potter	(Appointed 20 March 2022)
	J Dickenson	(Appointed 20 March 2022)
Charity number	1129069	
Principal address	14 Avenue Terrace Westcliff on Sea Essex SS0 7PL	
Independent examiner	P A Stafford FCCA 457 Southchurch Road Southend on Sea Essex SS1 2PH	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Property Trustees	The Baptist Union Corporation Baptist House 129 Broadway Didcot Oxon OX11 8RT	

AVENUE BAPTIST CHURCH

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AVENUE BAPTIST CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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

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

Objectives and activities

The Charity is governed by an Approved Governing Document which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination, including the advancement of education, community service and other such general charitable purposes in such parts of the UK and the world as the church shall determine.

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

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

Central to the work and witness of the church is the provision of regular public services of Christian worship. These take place each Sunday at 10.30 a.m. with most services being livestreamed via YouTube and Facebook. Worship is led by Rev Jane Guest or Rev Kilpin supported by a variety of visiting preachers and preachers from within the church congregation. We have seen more visiting preachers in 2021 following the departure of Rev Picton and have been blessed by their bringing of the Word to us.

Following the easing of lockdowns and a return to in person services we have gradually reopened some of our Sunday morning activities. We have only recently started up the group for the under 5s on a Sunday called Creche. Our groups for primary aged children, Superstars, and a secondary aged group called Footsteps were reopened during 2021. These provide age appropriate content in a church setting. We try as much as possible to link these with the preaching series for the adults so as to offer a coordinated message throughout all age groups. We will be revising our activities for Children on a Sunday beginning in September 2022.

We celebrate the major Christian festivals with special services and activities. We see these – especially at Christmas time – as an opportunity to involve the local community. These events are advertised locally and on the website at www.avenuebaptist.com. Links with the local community is an area we will be focussing on as we seek to spread the word of God throughout Southend.

The church used to run a number of house groups for the growth of faith and discipleship. These were held in the homes of members, and latterly via Zoom. However, during the last 2 years this area of church life has suffered and is something we will be looking to restart. Only one house group did continue during lockdown via Zoom and latterly as a walk/talk/coffee group.

The Church hosts a Playgroup, run daily from 9.15a.m. to 12.15 p.m. during school term times. This is subject to registration and inspection by Ofsted. In addition, trustees meet regularly with the playgroup manager to ensure effective oversight. The playgroup is run as a separate ministry of the church and is funded by childcare vouchers with a few parents opting to pay directly for the care offered. The playgroup keeps its own accounts and has been very well run for a number of years having built up a surplus to cover salaries and costs in the event it needs to close down. Playgroup continued to run mainly throughout 2021 but with restrictions on numbers in line with national guidelines. Numbers at the playgroup have rebounded and are now at pre Covid levels with a waiting list.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Church members also run "Little Pebbles" an all ability baby and toddler group which includes fathers and grandparents as well as mothers. This has been especially important to the very young children who have missed out on the opportunity to socialise in their early months/year because of the national lockdowns.

There is a popular group called "Seekers" serving adults with learning difficulties which meet regularly. Seekers provides support and discipleship to about 25 adults. It is run by volunteers with support from Rev Kilpin. They meet regularly for social events and organise annual holidays and trips. They also contribute to our regular worship once or twice a year. They are an integral part of the church family and bring a lot of joy to the wider membership. This group of people is not really specifically catered for in many other churches, so we are pleased to be able to provide a spiritual home for them offering support and encouragement.

A church member also runs a bereavement support group for parents who have lost children. This is a group open to all the community and has seen numbers grow steadily. We have seen some members of this group become part of our regular worship. It again demonstrates the positive effect we are having on people's lives.

The church also operates a Women's House of Prayer group. This has continued with women praying for each other, their families, friends and acquaintances via WhatsApp throughout Covid and is still going strong, with new ladies asking to join.

The church runs groups for young people weekly during term time. We cater for ages from 5 to 18 divided into 3 groups that meets on Tuesdays. Attendance has steadily increased over 2021 and into 2022.

Our church building is also hired out or made available to outside groups ranging from the local National Trust branch, a local Family History group, to a Child Contact Centre. The hiring is partly to raise funds for the church, but we also host groups that are in accord with our values. One example would be the Avenue Child Contact Centre. Although a separately registered and run charity we are pleased to host it as it is the only such organisation in the county and has seen referrals increase. With its aim of fostering/repairing relationships between children and their non-resident parent it very much accords with our mission of transforming lives.

Through the work of the Ministers, we had been a presence in the local University and College campuses, but this work was curtailed during 2021. Now we have appointed a full-time minister, we may have the resource to explore this work again.

The church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted via DBS, using the services of Due Diligence Checking Ltd.

The trustees have read the Charity Commission guidance on Public Benefit and are satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

Achievements and performance

Like the rest of the country, we began 2021 in lockdown. We started in person worship in March and met weekly thereafter following strict Baptist Union and HMG guidelines. Attendance was tentative to begin with but culminated in a joyous Christmas service on December 19th attended by many people.

At the end of January 2021, we said goodbye to Rev Andrew Picton following his seven and half year ministry at Avenue. The services up to 7 March were online only so we were not able to celebrate the end of his ministry as we would have wished at that time.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Rev Kilpin took over organising the worship on a Sunday and from 14 March we were joined by a variety of visiting preachers both from the local area and further afield. We also were blessed by preachers from within our own congregation. We were able to join with the Baptist Union for a national livestream service in May and with some local Baptist churches for a joint service later in the year. These were well received and not something we would have really considered pre Covid. Livestreaming has allowed many people who feel unable to return in person to enjoy Sunday worship. However, the trustees are aware that this may also mean some people do not return and that the church family could end up divided. It is a challenge we are still wrestling with. Our new Minister has made a point of contacting those who are still unsure about returning and we have seen some return to church recently as a result.

In person attendances over the course of 2021 gradually increased and we continue to see new attenders each week. That said numbers on a Sunday remain below pre Covid levels as some long standing attenders decided to move on and as noted above some are yet to feel able to return. Our Pastoral Care Team arranged a "Tea with the Vicar" and Church Open Sunday with refreshments to encourage both existing attenders and potential new attenders to come back to church.

It was important for us to be able to celebrate Easter as a church – albeit with restrictions in place. By the time Christmas came and restrictions eased we had a very lively and vibrant well attended service and many of the church groups took part. This was preceded by a Christmas Family Fun Day on a Saturday which was attended by 300 people from the local community.

We were able to restart many of our groups -both those on Sunday and the work that takes place in the week. Playgroup built up numbers throughout the year and ended the end of the year with a waiting list.

We were also able to start a new mission initiative with Transforming Lives for Good – a national charity working with primary aged children identified as needing support by their school. This will take us into a local primary school with which we already have strong links and help us to provide more community benefit.

We had a trustees' away day in September 2021, with a focus on hubs (interest based groups), as a new framework to create an improved community spirit within the Church after the difficulty caused by the pandemic. This initiative is also expected to gain the interest and involvement of new people from the local community in our activities.

The Church also agreed to continue with the employment of our part time Children and Family worker. This is so we can continue with our initiative to include more families in our Church activity, particularly as this work had been delayed by the pandemic.

Our Seekers group of adults with learning difficulties continued to attend Church and its leaders were able to provide support during a confusing and difficult time.

Our children's work on a Tuesday recommenced in late May 2021 until the school summer holidays and then came back in September. Numbers were down on pre Covid levels but have gradually increased. These groups continue to attract children who do not normally attend church on a Sunday and provides valuable outreach to the local community. We were also able to provide children's lunch clubs on a weekly basis in the summer holidays and again during autumn half term. These were very well attended and were part of our community outreach.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The group for church ladies – A Ladies Venue - has welcomed new members to the church post lockdown and has given them the opportunity to meet other women outside of the church services to make friends.

The Bereaved Parents group continued to be in contact via WhatsApp and met over Zoom once a week to continue to offer support. When allowed they also met in small groups in the open. New people did still contact the group and they were supported by phone as appropriate. The organiser was also able to meet and support members one to one.

We also provide care for our community in 2021 through our hard working Pastoral Care Team. They personally delivered gifts to the fellowship during lockdown including Christmas cards and treats, Valentine's Day jar of love and encouragement, Easter cards and a plant. They continued to support the vulnerable with flowers for the bereaved, phone calls, cards, visits and prayer to support their mental and spiritual wellbeing. We were also able to fund shopping vouchers for vulnerable people and church families in need. We purchased laptops and dongles to ensure all children in our church family were able to access school during lockdown.

We sought to develop links to other churches in the community and provided know how to a local Anglican Church - St Albans – to enable them to set up a toddler group.

We continued church members meetings via Zoom initially to ensure that our members were kept informed. These were quite well attended. We were able to meet for our overdue AGM in July to elect deacons and officers. We amended our constitution in late 2021 in line with Baptist Union guidelines to enable us to have "hybrid" church meetings with in person and online attenders and voting.

We completed work on our "community garden" turning an area of unsightly paving into raised beds and containers planted with seasonal plants. There is also a seating area. This new area has done much to brighten up the neighbourhood and is well used by various church groups.

2021 was a year of consolidation for Avenue Baptist. We started the search for a new minister and gradually rebuilt the church family after a long period blighted by lockdowns. We are full of optimism for the rest of 2022 as we face being a church in the new post Covid era with a new full time minister full of energy and enthusiasm.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

At the end of 2021 the Treasurer reluctantly had to resign his position due to overwhelming pressure of their full time work. We were grateful for his service especially as he introduced a number of changes which have proven to be very helpful in the ongoing management of the church finances.

The management of Avenue finances continued with the existing Finance Team which was strengthened to 4 people during the course of 2021. We continue to look for a Treasurer but feel that with the current team and the full implementation of QuickBooks we are able to understand and manage finances sufficiently.

The Charity has achieved a surplus of £17,791 compared to a deficit of £19,128 in the prior year despite a fall in income which is due to the fact that some long standing members have left the church for a variety of reasons, as mentioned earlier in the report. Some of these attendees were among the larger givers, and this has had an impact on the level of income achieved. Also giving in person continued to be at depressed levels as church attendance continued below pre Covid levels for most of 2021. Hiring of our premises has decreased as it has been impacted by outside groups that were still reluctant to meet.

That said the financial results are positive. Total income has decreased by 3% and while donations decreased in 2021, income from charitable activities has increased.

Total Expenditure reduced by 22% in 2021 mainly driven by a 23% reduction in staff costs – we had almost a full year without a full time minister's salary- and a 25% reduction in premises cost over the 2020 figures.

We were able to increase the charity funds by £17,791 compared to the figure at the end of 2020 and increased our cash position by £5,212 compared to 2020.

The Trustees do recognise the need to address the long term decline in giving and although there is still some work to do to improve the giving to get back to a sustainable level in the long term we believe that the trend suggests some positivity.

Our investment with Rathbones Investment Management grew over the period to be well above the initial investment of £450k. This has of course fallen back given recent events in Ukraine but has proved to be a wise investment. The investment income contributed to our funds in 2021.

We continue to give to the wider Baptist family via monthly donations to Home Mission Fund and Baptist Missionary Society. In February 2022 we have also transferred £50,000 from a low interest deposit account to the Baptist Union Loan fund to help them provide loans to other Baptist churches. This will attract a similar rate of interest to the bank account and is immediately accessible if needed.

We were also able to support a local church initiative called Church from Scratch by providing financial support of £1,000 to help their trainee minister to continue their studies. We also made a gift of £2,000 to the Avenue Child Contact Centre to assist with their funding. Both of these organisations align very much with the vision of Avenue to see lives transformed.

We also contributed financially to Leprosy Mission which the church has had links with for many years and to a BMS appeal for help with Covid in Nepal.

In 2021 we needed to transfer from our deposit account to cover a cash flow shortfall and may need to do so in 2022. We still have ample reserves but when the appointment of a full time minister in July 2022 means our cash flow will be stretched again. We expect 2022 to produce a deficit however, the Trustees consider there to be no conditions at present which would indicate uncertainty in the charity's ability to operate as a going concern. This assessment is underpinned by the availability of cash reserves and the plans to improve the level of donations received.

The trustees are focused on boosting attendance at the church and thereby increasing giving. There is already evidence that the appointment of Rev Jane Guest in July 2022 has led to an increase in regular attendance and therefore giving.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

As noted above the trustees have developed a plan for each member of the congregation to be part of a smaller group (a "hub") within church life. This will help to rebuild connections within the church and also reach out into the local community. It will not boost numbers or giving immediately but is building a long term foundation for the church post Covid.

We will be introducing contactless giving via QR codes in September 2022 and recognise we have been behind the times in offering cashless giving options. We will also be promoting the use of easyfundraising and Amazon Smile as ways of raising additional funds. In addition, we are undertaking a review of all suppliers to ensure we are getting best value. None of these measures will make a definitive difference but will help towards our financial goals.

Our aim is to increase church attendance and promote generous giving to ensure the church can continue its mission and provide benefit to the public. This will take time and hard work but with our financial resources we believe this can be achieved.

It is the policy of the trustees consider that maintaining a balance of £50,000 in the reserve account is a sufficient reserves policy as this represents approximately three months of salaries and operating costs for the church. This policy would not include cash reserves for restricted funds. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Avenue Baptist Church has short to medium term investments and cash as set out in the balance sheet. The investment policy is to invest in short to medium term investments at institutional investment managers and banks with ethical products and where the risk and returns are acceptable to the membership.

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

The Trustees are ultimately responsible for the system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve the church's objectives and can only provide reasonable and not absolute assurance against material misstatement of loss. The trustees are responsible for the identification and evaluation of significant risks applicable to all areas of the church together with the design and operation of suitable controls. These risks are assessed on a continuing basis and may be associated with a variety of internal or external sources including control breakdowns, disruption in information systems, natural catastrophe and regulatory requirements. The Church property is covered by specialist church insurance underwritten by Aviva to mitigate some of these risks.

Plans for future periods

It is the church's wish to continue to serve as a place of worship for the spiritual benefit of its congregation and as a place to support community efforts that are in line with its objectives. The church will continue to carry out current activities that support its mission and objectives.

Structure, governance and management

The charity is an unincorporated association.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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

S. Ekins (Secretary)	
D. Causton	(Resigned 20 March 2022)
A. Picton	(Resigned 31 January 2021)
M. Adams	
P. Gaff	(Resigned 20 March 2022)
P. Thompson	
J. Kilpin	
P. Mulligan	
J. Rooke	
T. Wheeler	(Resigned 20 March 2022)
C Dungey	(Appointed 27 June 2021)
B Williams	(Appointed 27 June 2021)
J. Guest	(Appointed 1 July 2022)
P Potter	(Appointed 20 March 2022)
J Dickenson	(Appointed 20 March 2022)

Members of the church are accepted in accordance with the constitution which requires them to make a public profession of faith in Jesus Christ, preferably but not compulsorily through baptism by immersion.

The members' Meeting normally takes place 7 times a year including 1 Annual General Meeting and has the responsibility for the overall policy of the church. In accordance with the Constitution the members appoint up to 13 Trustees, including the Secretary and the Treasurer, who together with the Minister(s), are collectively known as the Diaconate. They are responsible for the day to day running of the church's work and witness and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Trustees are elected at the AGM of the Church. The Treasurer and Secretary are appointed annually, and Deacons are appointed from within the membership for a 3 year term. The Deacons are required to stand down for at least one year following 9 years of continuous service. Ministers are trustees by virtue of their position and remain trustees as long as they are employed by the church.

Prior to standing for the position new trustees must be nominated and seconded by church members of good standing. They are spoken to by the Minister who will underline the legal as well as spiritual side of serving in Church. New trustees are given access to Charity Commission and BUGB material to help them understand the responsibilities and expectations of the position.

All Trustees are required to pass a DBS check which is maintained up to date throughout their tenure.

The Diaconate meet monthly and the agenda is varied depending on issues that arise but also has fixed items covering Finance, Health & Safety and Safeguarding. Any matters that need urgent discussion between meetings are coordinated by the Secretary usually by email/phone call/Zoom. There are separate committees for Finance, Premises and Safeguarding who have responsibility for day to day issues. They refer any matters of wider concern e.g. major fabric spend to the Diaconate and/or wider membership as appropriate.

The Diaconate refers any matters of policy or items of large expenditure to the bimonthly members meetings. The church members have the ultimate say in all but day to day/low budget matters.

No current trustees receive any remuneration from the church other than the Ministers which they receive as a function of their employment. Their remuneration is based on the annual stipend increases published by the Baptist Union of Great Britain. Trustees other than the ministers decide if and by how much their annual stipend should increase by, using the BU figures as a guide. Stipends are set taking into account the general financial situation of the church also.

The Trustees maintain a register of related parties and there were none concluded in 2021.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

As part of the Baptist Union of Great Britain we are able to access support and practical help with all aspects of running the charity. We adopt BU policies on all matters such as GDPR, Employment and Safeguarding as a church. This ensures we are adopting best practice at all times.

We outsource very little at present. Outsourcing is limited to payroll functions where we do not have the resource or expertise in house to manage this function.

The Baptist Union Corporation is noted above as a trustee. They hold title to the church buildings – as they do for many Baptist churches in the UK. They have no role in the running of the church but are there in the event the charity ceases to exist. In that event they would step in and oversee closure of the church and disposal of assets. They would also be involved if the church decided to sell any of its properties.

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



S. Ekins (Secretary)
Trustee

Date: 26.10.2022

AVENUE BAPTIST CHURCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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

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

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

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

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

AVENUE BAPTIST CHURCH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF AVENUE BAPTIST CHURCH

I report to the trustees on my examination of the financial statements of Avenue Baptist Church (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

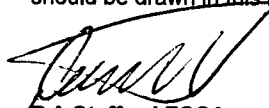
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting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

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

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

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

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



P A Stafford FCCA

457 Southchurch Road
Southend on Sea
Essex
SS1 2PH

Dated: 27/10/2022

AVENUE BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income and endowments from:							
Donations and legacies	3	75,260	11,029	86,289	83,246	11,000	94,246
Charitable activities	4	5,902	204	6,106	5,055	796	5,851
Investments	5	19,351	-	19,351	19,429	-	19,429
Other income	6	5,178	-	5,178	1,248	-	1,248
Total income		105,691	11,233	116,924	108,978	11,796	120,774
Expenditure on:							
Charitable activities	7	139,924	7,983	147,907	174,973	9,409	184,382
Net gains/(losses) on investments	11	48,774	-	48,774	44,480	-	44,480
Gross transfers between funds		-	-	-	(32,167)	32,167	-
Net movement in funds		14,541	3,250	17,791	(53,682)	34,554	(19,128)
Fund balances at 1 January 2021		573,243	131,634	704,877	626,925	97,081	724,006
Fund balances at 31 December 2021		587,784	134,884	722,668	573,243	131,635	704,878

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

All income and expenditure derive from continuing activities.

AVENUE BAPTIST CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		6,738		6,182
Investments	13		539,502		506,421
			<u>546,240</u>		<u>512,603</u>
Current assets					
Debtors	15	13,632		32,406	
Cash at bank and in hand		<u>176,817</u>		<u>171,605</u>	
			190,449		204,011
Creditors: amounts falling due within one year	16	<u>(18,121)</u>		<u>(11,736)</u>	
Net current assets			<u>174,328</u>		<u>192,275</u>
Total assets less current liabilities			<u><u>722,668</u></u>		<u><u>704,878</u></u>
Income funds					
Restricted funds	18		134,884		131,635
<u>Unrestricted funds</u>					
Designated funds	19	120,257		120,379	
General unrestricted funds		<u>467,527</u>		<u>452,864</u>	
			<u>587,784</u>		<u>573,243</u>
			<u><u>722,668</u></u>		<u><u>704,878</u></u>

The financial statements were approved by the Trustees on

26.10.2022


S. Ekins (Secretary)
Trustee

AVENUE BAPTIST CHURCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	22		(23,659)		(102,433)
Investing activities					
Purchase of tangible fixed assets		(6,072)		(8,764)	
Purchase of investments		(33,664)		(15,653)	
Proceeds on disposal of investments		49,256		19,913	
Investment income received		19,351		19,429	
Net cash generated from investing activities			28,871		14,925
Net cash used in financing activities			-		-
Net Increase/(decrease) in cash and cash equivalents			5,212		(87,508)
Cash and cash equivalents at beginning of year			171,605		259,113
Cash and cash equivalents at end of year			176,817		171,605

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Avenue Baptist Church is a charitable unincorporated association which is governed by its constitution dated 26th July 2015. This entity is a public benefit entity.

1.1 Accounting convention

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

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used or as specially designated by the trustees. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% Reducing Balance
Computers	40% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

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

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

AVENUE BAPTIST CHURCH

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

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	69,718	265	69,983	83,246	-	83,246
Legacies receivable	5,542	-	5,542	-	-	-
General grants receivable	-	10,764	10,764	-	11,000	11,000
	<u>75,260</u>	<u>11,029</u>	<u>86,289</u>	<u>83,246</u>	<u>11,000</u>	<u>94,246</u>

4 Charitable activities

	2021 £	2020 £
Donations received for other organisations	204	796
Charitable rental income	5,902	5,055
	<u>6,106</u>	<u>5,851</u>
Analysis by fund		
Unrestricted funds	5,902	5,055
Restricted funds	204	796
	<u>6,106</u>	<u>5,851</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Rental income	6,998	9,600
Income from listed investments	12,338	9,662
Interest receivable	15	167
	<u>19,351</u>	<u>19,429</u>

AVENUE BAPTIST CHURCH

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

6 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Government grants	5,178	1,248

7 Charitable activities

	2021	2020
	£	£
Staff costs	62,786	81,735
Depreciation and impairment	3,516	2,582
Premises costs	46,039	61,009
Events, organisations and missions	2,857	2,801
Administration expenditure	4,661	8,422
Legal and professional	9,158	5,760
Accountancy fees	4,385	8,275
	133,402	170,584
Grant funding of activities (see note 8)	14,505	13,798
	147,907	184,382
Analysis by fund		
Unrestricted funds	139,924	174,973
Restricted funds	7,983	9,409
	147,907	184,382

Charitable expenditure is allocated between restricted and unrestricted funds based the direct relation of the expenditure to the purpose of the fund. As salaries and employment benefits relate to the general running of the charitable activities these are funded through unrestricted funds.

As the entity pursues a single charitable activity, expenditure does not need to be allocated between activities

AVENUE BAPTIST CHURCH

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

8 Grants payable

	2021 £	2020 £
Grants to institutions:		
Baptist Home Mission - mission support	4,900	6,000
Baptist Missionary Society - mission support	5,500	6,000
Church From Scratch Support	1,000	-
Shared Space - Covid Assistance	-	1,000
Avenue Contact Centre - Mission support	2,000	-
Other	1,105	798
	<u>14,505</u>	<u>13,798</u>

The charity has made significant grants to institutions in the year in order to support missions or to pass on gifts received by the church and passed on to institutions.

9 Trustees

None of the trustees received any remuneration or expenses for their role as a trustee.

The following trustees are employed as ministers of the church, as well as having a role in the day to day running of the church and therefore form part of key management. Their remuneration is governed by the charity's constitution.

	2021		
	Remuneration	Pension Contribution	Total
A Picton	3,518	4,563	8,081
J Kilpin	15,450	2,661	18,111
	2020		
	Remuneration	Pension Contribution	Total
A Picton	29,172	6,610	35,782
J Kilpin	15,209	2,528	17,737

10 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
<u>4</u>	<u>4</u>

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Employees

(Continued)

Employment costs	2021 £	2020 £
Wages and salaries	54,749	71,161
Social security costs	526	1,216
Other pension costs	7,511	9,358
	<u>62,786</u>	<u>81,735</u>

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

11 Net gains/(losses) on Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Revaluation of investments	46,116	51,095
Gain/(loss) on sale of investments	2,658	(6,615)
	<u>48,774</u>	<u>44,480</u>

12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 January 2021	6,156	2,608	8,764
Additions	4,617	1,455	6,072
At 31 December 2021	<u>10,773</u>	<u>4,063</u>	<u>14,836</u>
Depreciation and impairment			
At 1 January 2021	1,539	1,043	2,582
Depreciation charged in the year	2,308	1,208	3,516
At 31 December 2021	<u>3,847</u>	<u>2,251</u>	<u>6,098</u>
Carrying amount			
At 31 December 2021	<u>6,926</u>	<u>1,812</u>	<u>8,738</u>
At 31 December 2020	<u>4,617</u>	<u>1,565</u>	<u>6,182</u>

AVENUE BAPTIST CHURCH

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

13 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2021	506,421
Additions	33,664
Valuation changes	48,774
Disposals	(49,257)
At 31 December 2021	539,602
Carrying amount	
At 31 December 2021	539,602
At 31 December 2020	506,421

	2021 £	2020 £
Investments at fair value comprise:		
Listed Investments	539,602	504,147
Cash	-	2,274
	539,602	506,421

The book value of investments held at the year end is £429,211 (2020: £437,952)

14 Financial Instruments

	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	539,602	506,421

15 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	4,356	32,406
Other debtors	8,939	-
Prepayments and accrued income	337	-
	13,632	32,406

AVENUE BAPTIST CHURCH

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

16 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	-	801
Trade creditors	6,330	209
Other creditors	51	51
Accruals and deferred income	9,740	10,675
	<u>16,121</u>	<u>11,736</u>

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £7,511 (2020 - £9,358).

Defined Benefit Scheme

The Church is a participating employer in the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity 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. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, 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. Since 1 January 2012, benefits have been provided through a Defined Contribution (DC) Plan.

A formal valuation of the DB Plan as at 31 December 2019 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 next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022. 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.

Under the Schedule of Contributions the church makes a monthly payment in respect of the DB scheme deficit, the annual value of these payments is £4,175 in 2020, which will increase in line with increases in Minimum Pensionable Income. The Trustees have designated £130,000 from legacy income to the Pension Deficit Fund in order to fund these ongoing payments and any potential liability.

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.

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020 £	Movement in funds		Transfers £	Balance at 1 January 2021 £	Movement in funds		Balance at 31 December 2021 £
		Incoming resources £	Resources expended £			Incoming resources £	Resources expended £	
Mission Fund	9,977	11,000	(8,612)	-	12,365	10,764	(6,709)	16,420
Building Fund	(32,167)	-	-	32,167	-	-	-	-
Special Purpose Fund	116,882	-	(40)	-	116,842	-	-	116,842
Donations to External Organisations	2,389	796	(757)	-	2,427	469	(1,274)	1,622
	<u>97,081</u>	<u>11,796</u>	<u>(9,409)</u>	<u>32,167</u>	<u>131,634</u>	<u>11,233</u>	<u>(7,983)</u>	<u>134,884</u>

The Mission Fund is restricted to use for outreach and mission within the community and is funded by a grant from an external organisation: The Avenue Trust. This fund is use to contribute to the salary of the minister and fund outreach events and resources.

The Building Fund as restricted for use to fund building repairs and maintenance during a refurbishment project. Unrestricted funds were used to fund the overspend on the project and have now been transferred into the fund as the project is complete.

The Special Purpose restricted fund is used to separate funds for specific one-off events from the general church funds and so is only used to fund the specific event in question.

The church collects donations for other causes which have similar or complementary objectives and this fund is used to collate those donations and ensure they are paid out to those organisations.

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020 £	Resources expended £	Balance at 1 January 2021 £	Movement in funds		Balance at 31 December 2021 £
				Incoming resources £	Resources expended £	
Pension deficit fund	124,554	(4,175)	120,379	-	(5,664)	114,715
Designated Legacy Fund	-	-	-	5,542	-	5,542
	<u>124,554</u>	<u>(4,175)</u>	<u>120,379</u>	<u>5,542</u>	<u>(5,664)</u>	<u>120,257</u>

Pension deficit fund - this fund is held as designated in anticipation of the total pension deficit due to the Baptist Union in relation to ministers and employees pensions.

Designated Legacy Fund- this fund constitutes legacies given the Avenue Baptist Church which no specific restrictions imposed upon them by the donor. The Trustees wish to use this fund on specific future projects so a visible return can be seen on the legacies given to the church.

20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	8,738	-	8,738	6,182	-	6,182
Investments	439,602	100,000	539,602	506,421	-	506,421
Current assets/(liabilities)	139,444	34,884	174,328	60,640	131,635	192,275
	<u>587,784</u>	<u>134,884</u>	<u>722,668</u>	<u>573,243</u>	<u>131,635</u>	<u>704,878</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

22	Cash generated from operations	2021	2020
		£	£
	Surplus/(deficit) for the year	17,791	(19,128)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(19,351)	(19,429)
	(Gain)/loss on disposal of investments	(2,658)	6,615
	Fair value gains and losses on investments	(46,116)	(51,095)
	Depreciation and impairment of tangible fixed assets	3,516	2,582
	Movements in working capital:		
	Decrease/(increase) in debtors	18,774	(14,209)
	Increase/(decrease) in creditors	4,385	(7,769)
	Cash absorbed by operations	(23,659)	(102,433)
23	Analysis of changes in net funds		
	The charity had no debt during the year.		

AVENUE BAPTIST CHURCH

England & Wales - Charity number 1129069

Accounts

Charity Registration No. 1129069

AVENUE BAPTIST CHURCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

AVENUE BAPTIST CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S. Ekins (Secretary)	
	D. Causton	
	M. Adams	
	P. Gaff	
	P. Thompson	
	J. Kilpin	
	P. Mulligan	
	J. Rooke	
	T. Wheeler	
	C Dungey	(Appointed 27 June 2021)
	B Williams	(Appointed 27 June 2021)
Charity number	1129069	
Principal address	14 Avenue Terrace Westcliff on Sea Essex SS0 7PL	
Independent examiner	P A Stafford FCCA 457 Southchurch Road Southend on Sea Essex SS1 2PH	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Property Trustees	The Baptist Union Corporation Baptist House 129 Broadway Didcot Oxon OX11 8RT	

AVENUE BAPTIST CHURCH

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AVENUE BAPTIST CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their annual report and financial statements for the year ended 31 December 2020.

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

Objectives and activities

The Charity is governed by an Approved Governing Document which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination, including the advancement of education, community service and other such general charitable purposes in such parts of the UK and the world as the church shall determine.

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

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

Central to the work and witness of the church is the provision of regular public services of Christian worship. These take place each Sunday at 10.30 am and are well attended. Worship is led by Rev Picton and Rev Kilpin. We have a variety of visiting preachers also throughout the year bringing their own insight. Preaching is solidly bible based drawing on many contemporary resources to make the word of God relevant to the congregation. There is usually sung worship helping to generate a positive, lively atmosphere on Sundays.

Before Covid-19 lockdowns, we ran groups for the under 5s on a Sunday called Beginners, one for primary aged children called Superstars and a secondary aged group called Footsteps. These provide age appropriate content in a church setting. We try as much as possible to link these with the preaching series for the adults so as to offer a coordinated message throughout all age groups.

We celebrate the major Christian festivals with special services and activities. We see these – especially at Christmas time – as an opportunity to involve the local community. These events are advertised locally and on the website at www.avenuebaptist.com. Links with the local community is an area we will be focussing on as we seek to spread the word of God throughout Southend.

Alongside Sunday worship, the church normally runs house groups for the growth of faith and discipleship. These are held in the homes of members, and details of these can be obtained from the church office, during the week or in the church on Sundays. They are an opportunity for small groups to study the Bible in more detail and to develop friendship groups in their local area. The themes usually link to the Sunday preaching but groups are free to explore their own topics.

The church hosts a Playgroup, run daily from 9.15a.m. to 12.15 p.m. during school term times. This is subject to registration and inspection by Ofsted. In addition, trustees meet regularly with the playgroup manager to ensure effective oversight. The play group is run as a separate ministry of the church and is funded by childcare vouchers with a few parents opting to pay directly for the care offered. The play group keeps its own accounts and has been very well run for a number of years having built up a surplus to cover salaries and costs in the event it needs to close down. Playgroup continued to run mainly throughout 2020 but with restrictions on numbers in line with national guidelines.

Covid has understandably taken a toll on numbers and provision of all groups and events in 2020 but we are confident that numbers will pick up to pre Covid levels during 2021.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

There is a popular group called "Seekers" comprising of adults with learning difficulties which meet regularly. Seekers provides support and discipleship to about 25 adults. It is run by volunteers with support from Rev Kilpin. They meet regularly for social events and organise annual holidays and trips. They also contribute to our regular worship once or twice a year. They are an integral part of the church family and bring a lot of joy to the wider membership. This group of people is not really specifically catered for in many other churches, so we are pleased to be able to provide a spiritual home for them offering support and encouragement.

A church member also runs a bereavement support group for parents who have lost children. This is a group open to all the community and has seen numbers grow steadily. We have seen some members of this group become part of our regular worship. It again demonstrates the positive effect we are having on people's lives.

The church usually runs events for young people weekly during term time. Our church building is also hired out or made available to outside groups ranging from the local National Trust branch, a local Family History group, a Line Dancing Group to a Child Contact Centre. The hiring is partly to raise funds for the church, but we also host groups that are in accord with our values. One example would be the Avenue Child Contact Centre. Although a separately registered and run charity we are pleased to host it as it is the only such organisation in our area and with its aim of fostering/repairing relationships between children and their non-resident parent it very much accords with our mission of transforming lives.

Through the work of the Ministers we were a presence in the local University and College campuses but this work was obviously curtailed during 2020.

The church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted via DBS, using the services of Due Diligence Checking Ltd.

The trustees have read the Charity Commission guidance on Public Benefit and are satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

Achievements and performance

The church like the rest of the country was in lockdown for the majority of 2020.

Rev. Andrew Picton completed his seventh year of Ministry in September. He has continued to lead services throughout the year with assistance from our other Minister, Rev. James Kilpin and some outside speakers. These services were online only for most of 2020 and we invested in technology to ensure that we could provide a worship resource for our congregation each Sunday.

We reopened on Sunday 20th September 2020 for a few weeks until the 3rd national lockdown closed us permanently to in person services until March 2021.

Covid restrictions continue to limit the numbers returning to church on a Sunday. However we have seen new people come to the church since reopening showing that the church is still able to fulfil a need in the local community.

The lockdown of 2020 gave many people time to reflect on their lives in general and this led Rev Picton to seek a life away from pastoral ministry and he resigned in late 2020 leaving on 31 January 2021.

Our Parish Nurse also resigned after many years of service at Avenue. Our Church Treasurer also resigned at the end of 2020 for personal reasons.

Most pre Covid activities were suspended or carried out where possible via Zoom. Some meetings of limited groups and individuals did take place throughout 2020 but in all cases in accordance with Covid restrictions in place at the time.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The main focus was on pastoral work amongst the fellowship. This was coordinated via a dedicated small group who made gifts and food parcels for the elderly and isolated in the church fellowship. There were regular phone calls from the pastoral and leadership teams to try and ensure everyone felt included.

Without doubt it was a very difficult period for many in the congregation. Sadly some passed away and we were unable to mourn them. Others felt isolated and alone, others faced financial hardships. We tried to care for people as best we could but undoubtedly fell short as we struggled with a totally unknown situation.

We took the opportunity to carry out some improvements to the buildings – mainly decorating after many years of not doing so. Our generous legacies helped in this regard. The hope is that when we do reopen fully then people will be lifted by an improvement in their surroundings.

We also invested in technology. This allowed us to livestream via YouTube and Facebook once in person services were allowed. Viewing figures indicate that these were well supported. We improved our internal communication by moving to the G-suite platform for communications as well as Mailchimp to ensure that we are able to maximise communication opportunities. Both of these powerful tools are free to use and a substantial improvement on what was in place before. The next phase of upgrading our technology saw us utilising QuickBooks for our accounting package in 2021.

It is a difficult year to list achievements for in many ways. People were involved in their own struggles with Covid and lockdown but throughout we sought to maintain a feeling of fellowship which has led to good attendances once we were able to meet again.

We look forward to the future however with optimism. Since reopening we have seen many groups start to meet again. We are seeing many groups seeking to hire our premises generating income and also interest in the church buildings as a community facility. We have had a varied and interesting array of visiting preachers who all bring something new.

We have begun the process of seeking a new minister and that in itself will mean a new beginning for the church as we seek God's leading to the right person.

The church once again sent a group to New Wine to enjoy fellowship with each other and the wider Christian community.

We have continued to open the building to the community and many groups continue to access it. In addition, we regularly host local school visits during the year to show them what being a Christian means in the modern world as part of their curriculum. Our smaller meeting space called The Venue has proved popular with smaller groups for coffee mornings and informal meetings.

As reported last year we were blessed with a substantial legacy. This has been transformative for the church and its mission. We are praying for God's leading with the stewardship of this legacy and a smaller but still sizeable one which we were advised of late in 2019. There is a sense of anticipation about God's will for us.

The legacies received from the late Peter Berwick was invested in a portfolio, invested on a mixed risk basis which is managed by Rathbones Investment Management. The object of these investments are to generate income to be used for charitable activities.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The Church has posted a deficit for 2020. This is due to a combination of factors.

The first is a decline in donations. Covid meant that regular weekly offerings and indeed the incomes of many of our congregation were affected so actual physical cash was not collected for most of 2020. In the past this had averaged around £200 per week.

Covid is only part of the reason for a decline in giving, however. Although most of the giving was by standing order and this continued unaffected through lockdowns, some larger donors either ceased giving altogether, left the church or had to decrease the amount they gave through personal circumstances.

We are thankful that we still have a number of very faithful members who give substantial amounts to the church and feel very blessed that their generosity enables the church's mission to continue.

In previous years where we were blessed with substantial and unexpected legacies which helped to fund our major refurbishment and emerge from the process debt free. We did not receive any legacies in 2020.

With giving down major expenses remained largely unchanged. We retained both ministers employed fully during 2020 to provide spiritual leadership at a time of crisis for the congregation. The constant expectations that things "would get back to normal" during mid 2020 meant that we also retained our Children and Family worker on full salary and our Caretaker rather than use the furlough scheme. We took the decision to use the furlough scheme in early 2021 when it was clear the situation was not going to change.

We had previously made a regular income of around £8,000 annually through premises hire but this dropped to almost zero in 2020 and has only started to pick up to anything again in late 2021. We do not expect it to be fully back at pre Covid levels until 2022 as some organisations struggle to return to regular meetings.

We also took the opportunity afforded by lockdown to carry out extensive redecoration of the premises. The main hall had not been redecorated since 1993 the same with the rear hall also. After a tender process – made more difficult by lockdown- we engaged a commercial firm in June 2020 for the large hall and a local firm for the smaller hall. The total cost was £21,000. We also spent £4,000 in the 2020 year in constructing a memorial garden at the side of the church which had previously been just a crazy paving area. This has improved the aspect for the surrounding community.

With the decision to provide spiritual output via live streaming we needed to upgrade our IT setup to provide this. As a result, we invested £4,000 in the relevant hardware and software licences. We were able to reach not only our own congregation but also to others – including around the world- with our output. We continue to stream most services as a matter of course now and believe that this is part of our mission in the changed world we now operate in.

Against this of course utility usage was less, and the use of consumables was also greatly reduced.

2020 has resulted in a deficit for the Church but we have been blessed with adequate resources to withstand this. After the initial impact of Covid our investments managed by Rathbones, grew to be about 25% above the initial capital investment by mid 2021. We also maintained a healthy deposit account balance of an average £150,000 with CAF Bank.

Post 2020 we have introduced a more up to date accounting package – Quick Books – which has made financial management of the charity much easier but has taken time to implement.

Our full-time minister resigned in 2020 and left at the end of January 2021. This has provided some breathing space for the cash flow position until we call a new minister which will happen in 2022.

Given the resources available the Trustees view the charity as a going concern. However, they do recognise the need to improve the cash flow position to help the charity achieve its aims. This needs to be resolved without relying too much on the legacy resources which it is intended will fund more mission and outreach in future years to better benefit the community.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

As at 31 December 2020, a total of £171,605 (£2019:£259,113) was held in the bank, while £506,421 (2019: £466,201) was held in investments with Rathbones. Of these £99,612 (2019:£97,081) is held in restricted funds for the purpose of maintaining the church facilities and £607,341 (2019:£626,925) was held in the unrestricted funds for the general needs of the church as and when they fall due.

The Trustees observed a Reserves Policy which currently means maintaining a fund of at least £50,000 (Fifty thousand pounds) in the CAF Gold account which represents approximately three months salaries and operating costs for the church.

The Trustees are aware of the deferred liability of £132,000 that they could face in respect of past members of the Baptist Minister Pension Scheme, which is in deficit and to which additional contributions beyond the payments for the existing members are paid every year.

The Coronavirus pandemic has had a major impact on the plans for 2020 and 2021. The trustees have been ensuring reserves are sufficient to continue operations and using the full range of support available from the government to ensure the Church can open its doors again when the time allows. The Church has been hosting Sunday services online, some recorded and others are held live.

Based on the forecast and projections and the healthy reserves of the charity, the trustees are of the opinion that Avenue Baptist Church has adequate resources to continue in operational existence for the foreseeable future.

Avenue Baptist Church has short to medium term investments and cash as set out in the balance sheet. The investment policy is to invest in short to medium term investments at institutional investment managers and banks with ethical products and where the risk and returns are acceptable to the membership.

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

The Trustees are ultimately responsible for the system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve the church's objectives and can only provide reasonable and not absolute assurance against material misstatement of loss. The trustees are responsible for the identification and evaluation of significant risks applicable to all areas of the church together with the design and operation of suitable controls. These risks are assessed on a continuing basis and may be associated with a variety of internal or external sources including control breakdowns, disruption in information systems, natural catastrophe and regulatory requirements. The Church property is covered by specialist church insurance underwritten by Aviva to mitigate some of these risks.

Plans for future periods

It is the church's wish to continue to serve as a place of worship for the spiritual benefit of its congregation and as a place to support community efforts that are in line with its objectives. The church will continue to carry out current activities that support its mission and objectives.

Structure, governance and management

The charity is an unincorporated association.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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

S. Ekins (Secretary)

D. Causton

C. Onwuemena (Treasurer)

(Resigned 31 December 2020)

A. Picton

(Resigned 31 January 2021)

M. Adams

P. Gaff

P. Thompson

J. Kilpin

P. Mulligan

J. Rooke

T. Wheeler

D. Harbage

(Resigned 8 March 2020)

C Dungey

(Appointed 27 June 2021)

B Williams

(Appointed 27 June 2021)

Members of the church are accepted in accordance with the constitution which requires them to make a public profession of faith in Jesus Christ, preferably but not compulsorily through baptism by immersion.

The members' Meeting normally takes place 7 times a year including 1 Annual General Meeting and has the responsibility for the overall policy of the church. In accordance with the Constitution the members appoint up to 13 Trustees, including the Secretary and the Treasurer, who together with the Minister(s), are collectively known as the Diaconate, and are responsible for the day to day running of the church's work and witness and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Trustees are elected at the AGM of the Church. The Treasurer and Secretary are appointed annually, and Deacons are appointed from within the membership for a 3 year term. The Deacons are required to stand down for at least one year following 9 years of continuous service. Ministers are trustees by virtue of their position and remain trustees as long as they are employed by the church.

Prior to standing for the position new trustees must be nominated and seconded by church members of good standing. They are spoken to by the Minister who will underline the legal as well as spiritual side of serving in Church. New trustees are given access to Charity Commission and BUGB material to help them understand the responsibilities and expectations of the position.

All Trustees are required to pass a DBS check which is maintained up to date throughout their tenure.

The Diaconate meet monthly and the agenda is varied depending on issues that arise but also has fixed items covering Finance, Health & Safety and Safeguarding. Any matters that need urgent discussion between meetings are coordinated by the Secretary usually by email/phone call. There are separate committees for Finance, Premises and Safeguarding who have responsibility for day to day issues. They refer any matters of wider concern e.g. major fabric spend to the Diaconate and/or wider membership as appropriate.

The Diaconate refers any matters of policy or items of large expenditure to the bimonthly members meetings. The church members have the ultimate say in all but day to day/low budget matters.

No current trustees receive any remuneration from the church other than the Ministers which they receive as a function of their employment. Their remuneration is based on the annual stipend increases published by the Baptist Union of Great Britain. Trustees other than the ministers decide if and by how much their annual stipend should increase by, using the BU figures as a guide. Stipends are set taking into account the general financial situation of the church also.

AVENUE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

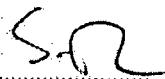
As part of the Baptist Union of Great Britain we are able to access support and practical help with all aspects of running the charity. We adopt BU policies on all matters such as GDPR, Employment and Safeguarding as a church. This ensures we are adopting best practice at all times.

We outsource very little at present. Outsourcing is limited to payroll functions where we do not have the resource or expertise in house to manage this function.

The Baptist Union Corporation is noted above as a trustee. They hold title to the church buildings – as they do for many Baptist churches in the UK. They have no role in the running of the church but are there in the event the charity ceases to exist. In that event they would step in and oversee closure of the church and disposal of assets. They would also be involved if the church decided to sell any of its properties.

The Trustees maintain a register of related party transactions and there were none concluded in 2020.

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



S. Ekins (Secretary)
Trustee

Date: 22.12.2021

AVENUE BAPTIST CHURCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020

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

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

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

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

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

AVENUE BAPTIST CHURCH

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AVENUE BAPTIST CHURCH

I report to the trustees on my examination of the financial statements of Avenue Baptist Church (the charity) for the year ended 31 December 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

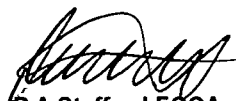
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting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

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

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

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

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


P A Stafford FCCA

457 Southchurch Road
Southend on Sea
Essex
SS1 2PH

Dated: 22/12/2021...

AVENUE BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total Unrestricted funds 2020 £	Restricted funds 2019 £	Total 2019 £
Notes						
<u>Income and endowments from:</u>						
Donations and legacies	3	83,246	11,000	94,246	692,564	929,610
Charitable activities	4	5,055	796	5,851	5,614	8,706
Investments	5	19,429	-	19,429	9,686	9,686
Other income	6	1,248	-	1,248	-	-
Total income		108,978	11,796	120,774	707,864	948,002
<u>Expenditure on:</u>						
Charitable activities	7	174,973	9,409	184,382	163,649	201,432
Net gains/(losses) on investments	11	44,480	-	44,480	16,870	16,870
Net (outgoing)/incoming resources before transfers		(21,515)	2,387	(19,128)	561,085	763,440
Gross transfers between funds		(32,167)	32,167	-	-	-
Net movement in funds		(53,682)	34,554	(19,128)	561,085	763,440
Fund balances at 1 January 2020		626,925	97,081	724,006	65,840	(105,274)
Fund balances at 31 December 2020		573,243	131,635	704,878	97,081	724,006

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

All income and expenditure derive from continuing activities.

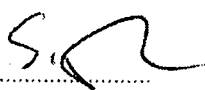
AVENUE BAPTIST CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12		6,182		
Investments	13		506,421		466,201
			<u>512,603</u>		<u>466,201</u>
Current assets					
Debtors	15	32,406		18,197	
Cash at bank and in hand		171,605		259,113	
		<u>204,011</u>		<u>277,310</u>	
Creditors: amounts falling due within one year	16	(11,736)		(19,505)	
Net current assets			<u>192,275</u>		<u>257,805</u>
Total assets less current liabilities			<u>704,878</u>		<u>724,006</u>
Income funds					
Restricted funds	18		131,635		97,081
<u>Unrestricted funds</u>					
Designated funds	19	120,379		124,554	
General unrestricted funds		<u>452,864</u>		<u>502,371</u>	
			<u>573,243</u>		<u>626,925</u>
			<u>704,878</u>		<u>724,006</u>

The financial statements were approved by the Trustees on 21.12.2021


S. Ekins (Secretary)
Trustee

AVENUE BAPTIST CHURCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(102,433)		728,421
Investing activities					
Purchase of tangible fixed assets		(8,764)		-	
Purchase of investments		(15,653)		(449,331)	
Proceeds on disposal of investments		19,913		-	
Investment income received		19,429		9,686	
Net cash generated from/(used in) investing activities			14,925		(439,645)
Financing activities					
Repayment of bank loans		-		(69,888)	
Net cash used in financing activities			-		(69,888)
Net (decrease)/increase in cash and cash equivalents			(87,508)		218,888
Cash and cash equivalents at beginning of year			259,113		40,225
Cash and cash equivalents at end of year			171,605		259,113

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Avenue Baptist Church is a charitable unincorporated association which is governed by its constitution dated 26th July 2015. This entity is a public benefit entity.

1.1 Accounting convention

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

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used or as specially designated by the trustees. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% Reducing Balance
Computers	40% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

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

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	83,246	-	83,246	110,436	2,881	113,317
Legacies receivable	-	-	-	582,128	223,165	805,293
General grants receivable	-	11,000	11,000	-	11,000	11,000
	<u>83,246</u>	<u>11,000</u>	<u>94,246</u>	<u>692,564</u>	<u>237,046</u>	<u>929,610</u>

4 Charitable activities

	2020 £	2019 £
Donations received for other organisations	796	3,092
Charitable rental income	5,055	5,614
	<u>5,851</u>	<u>8,706</u>
Analysis by fund		
Unrestricted funds	5,055	5,614
Restricted funds	796	3,092
	<u>5,851</u>	<u>8,706</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Rental income	9,600	7,761
Income from listed investments	9,662	1,298
Interest receivable	167	627
	<u>19,429</u>	<u>9,686</u>

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6 Other income

	Unrestricted funds	Total
	2020 £	2019 £
Government grants	1,248	-

7 Charitable activities

	2020 £	2019 £
Staff costs	81,735	80,851
Depreciation and impairment	2,582	-
Premises costs	61,009	88,173
Events, organisations and missions	2,801	11,581
Administration expenditure	8,422	6,655
Legal and professional	5,760	919
Accountancy fees	8,275	900
	<u>170,584</u>	<u>189,079</u>
Grant funding of activities (see note 8)	13,798	12,353
	<u>184,382</u>	<u>201,432</u>
Analysis by fund		
Unrestricted funds	174,973	163,649
Restricted funds	9,409	37,783
	<u>184,382</u>	<u>201,432</u>
For the year ended 31 December 2019		
Unrestricted funds	163,649	
Restricted funds	37,783	
	<u>201,432</u>	

Charitable expenditure is allocated between restricted and unrestricted funds based the direct relation of the expenditure to the purpose of the fund. As salaries and employment benefits relate to the general running of the charitable activities these are funded through unrestricted funds.

As the entity pursues a single charitable activity, expenditure does not need to be allocated between activities

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Grants payable

	2020 £	2019 £
Grants to institutions:		
Baptist Home Mission - mission support	6,000	6,000
Baptist Missionary Society - mission support	6,000	5,650
Baptist Missionary Society - gifts received by church and passed on	-	410
Changemakers - gifts received by church and passed on	-	293
Shared Space for Work - Covid 19	1,000	-
Other	798	-
	<u>13,798</u>	<u>12,353</u>

The charity has made significant grants to institutions in the year in order to support missions or to pass on gifts received by the church and passed on to institutions.

9 Trustees

None of the trustees received any remuneration or expenses for their role as a trustee.

The following trustees are employed as ministers of the church, as well as having a role in the day to day running of the church and therefore form part of key management. Their remuneration is governed by the charity's constitution.

	2020		Total
	Remuneration	Pension Contribution	
A Picton	29,172	6,610	35,782
J Kilpin	15,209	2,528	17,737
	2019		
	Remuneration	Pension Contribution	Total
A Picton	31,363	7,570	38,933
J Kilpin	13,203	2,481	15,684

10 Employees

The average monthly number of employees during the year was:

2020 Number	2019 Number
4	4
<u>4</u>	<u>4</u>

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Employees (Continued)

Employment costs	2020 £	2019 £
Wages and salaries	71,161	66,640
Social security costs	1,216	4,089
Other pension costs	9,358	10,122
	<u>81,735</u>	<u>80,851</u>

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

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

11 Net gains/(losses) on investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Revaluation of investments	51,095	16,870
Gain/(loss) on sale of investments	(6,615)	-
	<u>44,480</u>	<u>16,870</u>

12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
Additions	6,156	2,608	8,764
At 31 December 2020	<u>6,156</u>	<u>2,608</u>	<u>8,764</u>
Depreciation and impairment			
Depreciation charged in the year	1,539	1,043	2,582
At 31 December 2020	<u>1,539</u>	<u>1,043</u>	<u>2,582</u>
Carrying amount			
At 31 December 2020	<u>4,617</u>	<u>1,565</u>	<u>6,182</u>

13 Fixed asset investments

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Fixed asset investments

(Continued)

	Unlisted investments £
Cost or valuation	
At 1 January 2020	466,201
Additions	15,653
Valuation changes	51,095
Disposals	(26,528)
At 31 December 2020	506,421
Carrying amount	
At 31 December 2020	506,421
At 31 December 2019	466,201

	2020 £	2019 £
Investments at fair value comprise:		
Listed Investments	504,147	(337,000)
Cash	2,274	(129,201)
	506,421	466,201

The book value of investments held at the year end is £437,392

14 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	506,421	466,201

15 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	32,406	18,197

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	801	1,485
Trade creditors	209	15,700
Other creditors	51	44
Accruals and deferred income	10,675	2,276
	<u>11,736</u>	<u>19,505</u>

17 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £9,358 (2019 - £10,122).

The Church is a participating employer in the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity 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, 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. Since 1 January 2012, benefits have been provided through a Defined Contribution (DC) Plan.

A formal valuation of the DB Plan as at 31 December 2019 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 next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

Under the Schedule of Contributions the church makes a monthly payment in respect of the DB scheme deficit, the annual value of these payments is £4,175 in 2020, which will increase in line with increases in Minimum Pensionable Income. The Schedule of Contributions foresees these contributions continuing until June 2026. The Trustees have designated £130,000 from legacy income to the Pension Deficit Fund in order to fund these ongoing payments and any potential liability. The Church has been advised that the estimated cost for the Church to buyout their Pension Scheme liabilities at 18th December 2020 was £74,200.

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019	Movement in funds			Balance at 1 January 2020	Movement in funds			Transfers	Balance at 31 December 2020
	£	Incoming resources	Resources expended	£		Incoming resources	Resources expended	£		
Mission Fund	11,287	11,000	(12,310)	9,977	11,000	11,000	(8,612)	-	-	12,365
Building Fund	(130,667)	122,778	(24,278)	(32,167)	-	-	-	32,167	-	-
Special Purpose Fund	14,106	103,268	(492)	116,882	-	-	(40)	-	-	116,842
Donations to External Organisations	-	3,092	(703)	2,389	796	796	(757)	-	-	2,428
	<u>(105,274)</u>	<u>240,138</u>	<u>(37,783)</u>	<u>97,081</u>	<u>11,796</u>	<u>11,796</u>	<u>(9,409)</u>	<u>32,167</u>	<u>131,635</u>	

The Mission Fund is restricted to use for outreach and mission within the community and is funded by a grant from an external organisation: The Avenue Trust. This fund is used to contribute to the salary of the minister and fund outreach events and resources.

The Building Fund as restricted for use to fund building repairs and maintenance during a refurbishment project. Unrestricted funds were used to fund the overspend on the project and have now been transferred into the fund as the project is complete.

The Special Purpose restricted fund is used to separate funds for specific one-off events from the general church funds and so is only used to fund the specific event in question.

The church collects donations for other causes which have similar or complementary objectives and this fund is used to collate those donations and ensure they are paid out to those organisations.

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Resources expended	Balance at 1 January 2020	Resources expended	Balance at 31 December 2020
	£	£	£	£
Pension deficit fund	(5,446)	124,554	(4,175)	120,379
	<u>(5,446)</u>	<u>124,554</u>	<u>(4,175)</u>	<u>120,379</u>

20 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	6,182	-	6,182	-	-	-
Investments	506,421	-	506,421	466,201	-	466,201
Current assets/ (liabilities)	60,640	131,635	192,275	160,724	97,081	257,805
	<u>573,243</u>	<u>131,635</u>	<u>704,878</u>	<u>626,925</u>	<u>97,081</u>	<u>724,006</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

22 Cash generated from operations

	2020 £	2019 £
(Deficit)/surplus for the year	(19,128)	763,440
Adjustments for:		
Investment income recognised in statement of financial activities	(19,429)	(9,686)
Loss on disposal of investments	6,615	-
Fair value gains and losses on investments	(51,095)	(16,870)
Depreciation and impairment of tangible fixed assets	2,582	-
Movements in working capital:		
(Increase) in debtors	(14,209)	(13,133)
(Decrease)/increase in creditors	(7,769)	4,670
Cash (absorbed by)/generated from operations	<u>(102,433)</u>	<u>728,421</u>

AVENUE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2020***

23 Analysis of changes in net funds

The charity had no debt during the year.