

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

CONTENTS

	Page
Trustees' report	1 - 8
Independent examiner's report	10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 26

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

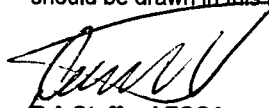
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting 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>546,340</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
	<hr/>	<hr/>
	16,121	11,736
	<hr/>	<hr/>

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.		
