

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.

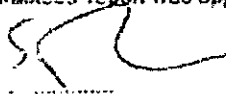
The Baptist Union Corporation is noted above as a trustee. They hold title to the church buildings – as they do for many Baptist churches in the UK. They have no role in the running of the church but are there in the event the charity ceases to exist. In that event they would step in and oversee closure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

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
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		185,195	17,001	202,196	130,784	10,125	140,909
Charitable activities	6	159,792	14,017	173,809	170,926	9,946	180,872
Net gains/(losses) on investments	10	21,616	-	21,616	(91,055)	-	(91,055)
Net income/(expenditure) and movement in funds		47,019	2,984	50,003	(131,197)	179	(131,018)
Reconciliation of funds:							
Fund balances at 1 January 2023		559,752	31,898	591,650	690,949	31,719	722,668
Fund balances at 31 December 2023		606,771	34,882	641,653	559,752	31,898	591,650

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

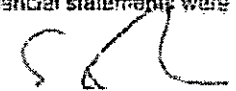
AVENUE BAPTIST CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
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)
	<hr/>
At 31 December 2023	456,805
	<hr/>
Carrying amount	
At 31 December 2023	456,805
	<hr/>
	<hr/>
At 31 December 2022	447,273
	<hr/>
	<hr/>

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>