

KAY STREET BAPTIST CHURCH

Deacons' and Trustees' report for the year ended 31 December 2021

The deacons and trustees have pleasure in presenting their report and the audited financial statements of the church for the year ended 31 December 2021.

REFERENCE AND ADMINISTRATIVE DETAILS are set out on page 1.

PURPOSE

The church is governed by an Approved Governing Document (Church Constitution) which states that the principal purpose of the Church is the advancement of the Christian faith according to the principles of the Baptist denomination. The Church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.

The church occupies premises which are held by the North Western Baptist Association, on Trusts which are entirely compatible with the above object.

ORGANISATIONAL STRUCTURE AND DECISION MAKING PROCESSES

Members of the Church are accepted in accordance with the Constitution which requires them to be or to have been publicly baptised, by immersion, on the profession of faith in Jesus Christ.

The Members' Meeting normally takes place six times per year and has responsibility for the overall policy of the church. In accordance with the Constitution, the members appoint ten Trustees (either including or in addition to the Treasurer and Secretary), who together with the Minister(s), and collectively known as the Diaconate, 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.

Relevant matters may be submitted to the Church Meeting by the Trustees (who meet monthly) for guidance, or may be raised by members in the Church Meeting for further consideration by the Trustees. Although the Constitution permits decisions to be made at Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

OBJECTIVES AND ACTIVITIES

In order 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.

The Approved Governing Document provides a list of such activities which may include, but not be restricted to:

1. Regular public worship, prayer, Bible study, preaching and teaching.
2. Baptism, as defined in the Union's Declaration of Principle.
3. The Communion of the Lord's Supper which shall normally be observed at least once a month.

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4. Evangelism and mission, locally, regionally, nationally and internationally.
5. The teaching, encouragement, welcome and inclusion of young people.
6. Nurture and growth of Christian disciples.
7. Education and training for Christian and community service.
8. Giving and encouraging pastoral care.
9. Supporting and encouraging charitable social action in the United Kingdom and abroad.
10. Encouraging relationships with and supporting Baptists and other Christians.

ACHIEVEMENTS AND PERFORMANCE

The Church does not measure the success of its programmes only in numbers, including financial performance, but also in less tangible areas like fellowship and encouragement. The Trustees recognise that these are difficult to measure, especially during 2020 which saw the effects of the corona virus pandemic and the various 'lockdowns' which prevented our various groups meeting together.

1. Regular public worship: Central to the work and witness of the Church is the provision of regular public services of Christian worship.

2021 continued, as per the previous year, to be difficult with the Covid pandemic. There were times where the church was closed for public worship and when it was opened, numbers were considerably reduced. Services normally take place Sunday at 10:30am and, towards the end of the year began to get back to some normality with numbers increasing. We recorded and streamed live the morning services for those who do not feel able to gather together. There are also occasional services at other times which are advertised on the Church website at kaystreet.co.uk. All these services are open to all members of the public.

The usual regular provision for prayer for the church and the community which it serves which historically took place on a monthly basis was increased to weekly via Zoom and saw an increase in numbers taking part.

2. Baptism: There were no baptisms during 2021. There was one new member by profession. Deletions during the year amounted to 9 caused by the death of 4 deaths, the resignation of 5 (4 of whom had moved away from the district) and the transfer of 1 to another Baptist Church. The net result of these changes is that our actual membership is 101, a decrease of 8 on the previous year.

3. Communion: The Lord's Supper is normally observed once a month and on other special occasions (e.g. Good Friday) and is open to all who love the Lord Jesus Christ as Saviour.

4. Evangelism and mission: Again, because of the pandemic, there was a severe curtailment of activities. Towards the end of the year, the church started to provide meals for those who were struggling financially and this turned into a regular activity every Monday teatime (named 'Shine'). Activities and food were also provided for school children who normally receive free school meals at special events during school holidays.

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Regular activities were curtailed and then commenced again - the monthly visits to two old people's homes, monthly walks, Table tennis and two football teams. As can be seen from the accounts, the church is very active in supporting missionaries and overseas workers from a number of societies.

5. Children and young people: it was the first full year in post for our new Family and Children's Worker. Again, activities were severely curtailed, but have started to become more regular with the result that, for example, by early 2022 there are about 50 - 60 children under school-age attending once per week. There are also other activities for parents and children, catering for all ages from creche to late teenagers. The church also employs an Associate Minister, one of whose roles is young people's work.

6. Nurture and growth of Christian disciples: The Church runs a series of house groups, which are open to all, for the growth of faith and discipleship in the homes of some members and on the church premises. Many of these have continued via Zoom.

7. Community service: The church has played an active part in the community both directly and via allowing its premises to be used. Most of these activities had to be suspended with the closure of the building during covid restrictions. The church runs a weekly 'Shine' meal (see under no. 4). There are also two KSBC football teams which practised and played weekly during the football season. A local table tennis league used the premises on one/two evenings per week. There are also monthly organised walks and the premises were used weekly for those suffering from dementia. During the year many of these initiatives had to be suspended because of Covid.

8. Pastoral care: the church's senior minister left in 2021 to take up a different role in the Lake District. He has been with us as both youth officer and minister for about 19 years. The process of replacing him as senior minister commenced towards the end of the year. As well as the ministers, the church employs a Pastoral Worker for one day per week to visit those who are ill or house bound. There is also a pastoral Team which provides oversight and response to pastoral situations.

9. Supporting and encouraging charitable social action: The church gives regularly to overseas aid via Tear Fund and responds to specific requests from other organisations. This year it again helped relief work in Sri Lanka, relief work in Afghanistan and Kathryn Dungworth, one of the church's members, continued her work with Mercy Ships, a hospital ship aiding African countries albeit that the ship was confined to port in the Canaries.

10. Encouraging relationships with and supporting Baptists and other Christians: The church is in membership with the Baptist Union of Great Britain and supports its work both financially and practically, via the North Western Baptist Association and is a member of the Evangelical Alliance.

FINANCIAL REVIEW

The Church continues to raise the funds needed to carry on its activities from within its own membership and congregation plus a small amount from other registered charities. No wider public appeal was made for funds during the year. A large percentage of the church's income is via member's standing orders which greatly aided the financial situation whilst no services were being held.

KAY STREET BAPTIST CHURCH

Deacons' and Trustees' report for the year ended 31 December 2021

The most significant expenses incurred during the year related to:

- the employment of the Rev Matt Hirst as Minister of the Church until his leaving in the first part of the year (March 31st)
- The employment of Rev Jonny Hirst as Associate Minister with specific responsibility for young people and those aged in their 20s and 30s.
- the employment, of Suzie Elkington as Family and Children's Worker to encourage and support Church families and arrange various outreach and social activities aimed at families.

The Church expressed its part in the life of the wider Church by making grants to national and international Christian organisations and societies with Christian objectives compatible with the Church's own charitable purpose.

The Church is heavily dependent on its membership working as volunteers in all aspects of the Church's activities, many of which run with little or no impact on the Church's expenditure, but never the less contribute substantially to the achievement of the Church's objectives.

The results for the year, and the church's financial position at the end of the year, together with a summary of the accounting policies, are shown in the financial statements.

Reserves

It is the policy of the Church to maintain unrestricted funds, which are the free reserves of the Church, at a level which equates to approximately three months unrestricted expenditure. This would provide sufficient funds to enable the current activities of the Church to be continued in the event of a reduction in the level of giving.

Statement of deacons and trustees' responsibilities

Charity legislation requires the Deacons and Custodian Trustee to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of the surplus or deficit for that period.

In preparing the accounts suitable accounting policies have been adapted and consistently applied to the best of their knowledge and belief, by reference to reasonable and prudent judgements and estimates.

The Deacons and Trustees are responsible for maintaining adequate accounting records, for safeguarding the assets of the Charity and for preventing and detecting fraud and other irregularities.

The Trustees are also required to indicate where the Financial Statements are prepared other than on the basis that the charity is a going concern.

Risk Management

The Deacons continue the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

KAY STREET BAPTIST CHURCH

Deacons' and Trustees' report for the year ended 31 December 2021

Signed on behalf of the Deacons

.....

G. Skilling - Secretary & Deacon during the year under review

Date: 12th August 2022

KAY STREET BAPTIST CHURCH

FINANCIAL STATEMENTS

TWELVE MONTHS ENDED

31 December 2021

Charity Number 1129330

KAY STREET BAPTIST CHURCH

Independent examiner's report to the Deacons and Trustees for the year ended 31 December 2021

I report on the unaudited accounts of the Church for the year ended 31 December 2021 set out on pages 2 to 10.

Respective responsibilities of the Deacons, Trustees and Independent Examiner.

The deacons and trustees are responsible for the preparation of the accounts.

The charity's trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the Act), and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts represented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as the deacons and trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records have not been met; and
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

11th May 2022

P Terry FCA
Independent Examiner

The Croft
Cowpe Road
Rossendale
Lancs BB4 7DQ

KAY STREET BAPTIST CHURCH

Statement of financial activities for the year ended 31 December 2021

| | | 2021 | | | 2020 |
|---------------------------------------|--------|--------------|------------|-----------|-----------|
| | | Unrestricted | Restricted | | |
| | Notes | Funds | Funds | Total | Total |
| | | £ | £ | £ | £ |
| Incoming Resources | | | | | |
| Offerings | 2 | 101,247 | 50,146 | 151,394 | 149,862 |
| Investment income | 3 | 831 | | 831 | 2,908 |
| Donations and other income | 4 | 20,714 | 1,425 | 22,139 | 17,605 |
| Contributions to other causes | 5 | 3,992 | | 3,992 | 5,237 |
| Total Incoming Resources | | 126,784 | 51,572 | 178,356 | 175,613 |
| Resources Expended | | | | | |
| Mission | 6 & 13 | 90,761 | 40,696 | 131,457 | 146,753 |
| Depreciation | 9 | 0 | 0 | 0 | 0 |
| Church Premises | 7 & 13 | 51,509 | 0 | 51,509 | 21,237 |
| Administration | 8 | 5,409 | 0 | 5,409 | 5,971 |
| Total Expended | | 147,679 | 40,696 | 188,375 | 173,961 |
| Net resources for the year (Outgoing) | | (20,895) | 10,876 | (10,020) | 1,652 |
| Funds transfer | | 24,825 | (24,825) | 0 | 0 |
| Total funds brought forward | | 2,280,928 | 52,772 | 2,333,700 | 2,332,048 |
| Total funds carried forward | | 2,284,858 | 38,823 | 2,323,680 | 2,333,700 |

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All the activities of the church are classed as continuing.

KAY STREET BAPTIST CHURCH

Balance Sheet as at 31 December 2021

| | Notes | 2021 | 2020 |
|--|-------|-------------------------|-------------------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 9 | 2,239,854 | 2,177,794 |
| Current assets | | | |
| Cash at Bank and in hand | | 16,471 | 19,994 |
| Deposit with Baptist Corporation | | 153,976 | 229,070 |
| | | <u>170,447</u> | <u>249,064</u> |
| Creditors: amounts falling due within one year | 10 | <u>(9,336)</u> | <u>(9,336)</u> |
| Net current assets | | 161,111 | 239,728 |
| Creditors: amounts falling due after more than one year | 11 | (77,285) | (83,822) |
| Total assets less liabilities | | <u><u>2,323,680</u></u> | <u><u>2,333,700</u></u> |
| Funds | | | |
| Unrestricted - General purposes | 12 | 2,284,857 | 2,280,928 |
| Restricted | 13 | 10,341 | 12,040 |
| Designated Funds | 14 | 28,482 | 40,732 |
| | | <u><u>2,323,680</u></u> | <u><u>2,333,700</u></u> |

These financial statements were approved by the deacons on 11th May 2022
and are signed on their behalf by:

G.Skilling - Secretary & Deacon

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

1 Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention with the exceptions that the property and historic fixtures and fittings are included at the Deacons valuation. The property has not been depreciated. The financial statements are prepared in accordance with the current Charities SORP and applicable accounting standards (FRS 102).

Funds

Unrestricted funds are available for use, at the discretion of the Deacons, in furtherance of the general objectives of the Charity. Unrestricted funds include a revaluation reserve representing the restatement of tangible assets at insurance value.

Designated funds are unrestricted funds earmarked by the Deacons for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

These funds do not include the income and expenditure of the various organisations affiliated to the Church due to presentation of separate accounts and the amounts being immaterial.

Income Tax Recoverable

Income tax recoverable on gift aid and investment income is recognised on receipt.

Fixed Assets

Properties comprising the church and the manse together with fixtures and fittings are all included at the Deacons estimate based on previous insurance valuation.

Depreciation

Properties held by the Church are stated at the Deacons valuation. Properties are maintained in a state of repair such that their estimated residual value is not less than their carrying value. The annual charge for depreciation is therefore nil. This represents a departure from the statutory rules requiring all assets with a finite life to be depreciated over their economic life.

Depreciation is calculated so as to write off the cost of an asset, less the estimated residual value, over the useful economic life of the asset as follows:

Fixtures and Fittings - 10% straight line per annum.

Pension Costs

The charity contributes to a defined contribution pension scheme for the minister and family/childrens worker. The assets of the scheme are held outside the charity. The annual contributions to the scheme are charged within the statement of financial activities as they become payable in accordance with the rules of the scheme.

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

2 Offerings - unrestricted

| | 2021 | 2020 |
|-----------------------------|----------------|---------------|
| | £ | £ |
| Weekly offerings | | |
| Cash, envelopes, SO and CAF | 87,686 | 81,892 |
| Gift aid tax reclaim | 13,561 | 15,707 |
| | <u>101,247</u> | <u>97,599</u> |

3 Investment income

| | | |
|---------------------------------|------------|--------------|
| Annuity and interest receivable | <u>831</u> | <u>2,908</u> |
|---------------------------------|------------|--------------|

4 Donations and other income

| | | |
|-------------------------------|---------------|---------------|
| General Donations | 1,982 | 3,532 |
| Church Events | 43 | 265 |
| Football Club | 1,840 | 0 |
| Property income and room hire | 555 | 1,005 |
| Family & Children | 151 | 728 |
| Job Retention Scheme | 538 | 1,982 |
| Other | 1,179 | 257 |
| Church Holiday and Day out | 6,769 | 1,210 |
| NWBA contribution | 7,657 | 7,114 |
| | <u>20,714</u> | <u>16,093</u> |

5 Contributions to other causes

Incoming

| | | |
|-----------------------|---------------|---------------|
| Bacup Family Centre | 255 | 553 |
| Bible notes | 168 | 1,291 |
| BMS Birthday Scheme | 673 | 444 |
| CAP | 15,024 | 17,507 |
| Shine | 9,253 | 3,988 |
| Harvest | 3,622 | 2,290 |
| Lent | 2,138 | 2,730 |
| Shoebox | 0 | 70 |
| Open Doors | 674 | 0 |
| Release International | 75 | 0 |
| Jonny & Joy | 0 | 1,071 |
| YP Donations | 290 | 5 |
| | <u>32,172</u> | <u>29,949</u> |

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

| | 2021 | 2,020 |
|---|---------------------|---------------------|
| | £ | £ |
| Remitted | | |
| Bacup Family Centre | 465 | 294 |
| BMS Birthday SCheme | 525 | 0 |
| Bible Notes | 472 | 838 |
| CAP | 15,331 | 14,684 |
| Jonny & Joy | 0 | 1,071 |
| Open Doors | 674 | 0 |
| Harvest | 3,391 | 2,100 |
| Release International | 75 | 0 |
| Vision | 295 | 0 |
| Tear Fund | 205 | 0 |
| Lent | 2,033 | 2,730 |
| Shine | 4,716 | 2,995 |
| | <u>28,180</u> | <u>24,712</u> |
| Net incoming/(outgoing) | <u>3,992</u> | <u>5,237</u> |
| Mission | | |
| 6 Ministers Stipends, employment costs and Pulpit Supplies | 59,304 | 75,984 |
| Pastoral Worker | 4,970 | 4,885 |
| Family Worker | 11,985 | 9,574 |
| Refreshments | 106 | 501 |
| Outreach | 309 | 0 |
| Football Club | 1,840 | 0 |
| Speakers | 832 | 120 |
| Books and resources | 89 | 229 |
| Music licence | 982 | 1,006 |
| Young Peoples Work | 1,648 | 5,093 |
| Conference/Training | 500 | -238 |
| Church Weekend | 7,670 | 600 |
| Gideons | 200 | 0 |
| Hands on | 0 | 172 |
| Hope Cafe | 326 | 0 |
| | <u>90,761</u> | <u>97,926</u> |

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

| | 2021 | 2,020 |
|--------------------------------------|---------------|---------------|
| | £ | £ |
| Church premises | | |
| 7 | | |
| Gas and electricity | 8,596 | 5,921 |
| Water Rates | 482 | 275 |
| Cleaning | 3,600 | 6,187 |
| Insurance | 3,741 | 3,372 |
| Repairs and Property Expenses | 31,831 | 4,562 |
| Telephone and internet | 1,149 | 1,074 |
| Interest on Manse Mortgage | 2,799 | 3,123 |
| Contribution to Manse costs & rental | (4,684) | (3,375) |
| Equipment | 3,994 | 98 |
| | <u>51,509</u> | <u>21,237</u> |
| Administration | | |
| 8 | | |
| Printing, photocopier, stationery | 2,741 | 4,393 |
| Subscriptions | 1,685 | 1,237 |
| Professional fees | 958 | 290 |
| Bank Charges | 26 | 51 |
| | <u>5,409</u> | <u>5,971</u> |

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

| 9 | Tangible Fixed Assets | Church | | |
|-----------------------|----------------------------|------------------|--------------|------------------|
| | | Premises | Fixtures and | Total |
| | | Investment Prop | Fittings | |
| | | and Manse | | |
| | | £ | £ | £ |
| <i>Valuation</i> | | | | |
| | At 1 January 2021 | 2,177,794 | 96,714 | 2,274,508 |
| <i>Additions</i> | | | | |
| | Buyout of 3rd Party Share | 62,060 | 0 | 62,060 |
| <i>Depreciation</i> | | | | |
| | At 1 January 2021 | 0 | 96,714 | 96,714 |
| | Charge for year | | | |
| | | 0 | 96,714 | 96,714 |
| <i>Net book value</i> | | | | |
| | At 31 December 2021 | 2,239,854 | 0 | 2,239,854 |
| | At 31 December 2020 | 2,177,794 | 0 | 2,177,794 |

During the year the church purchased the share of the Manse that was held by a third party.
The valuation of the manse following this transaction is £332,500.

| | 2021 | 2020 |
|--|---------------|---------------|
| Creditors: amounts falling due within one year | | |
| 10 Mortgage on the Manse | 9,336 | 9,336 |
| | <u>9,336</u> | <u>9,336</u> |
| Creditors: amounts falling due after more than one year | | |
| 11 Mortgage on the Manse | <u>77,285</u> | <u>83,822</u> |

The mortgage has been taken out with regard to the purchase of the manse and is secured on same.
It is repayable over 25 years.

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

| Statement of Assets | | 2021 | 2020 |
|----------------------------|--|-------------------------|-------------------------|
| 12 | | £ | £ |
| | Unrestricted funds | | |
| | Fixed assets | 2,239,854 | 2,177,794 |
| | Current assets/ liabilities | 122,288 | 186,956 |
| | Creditors: Amounts due after more than one year | (77,285) | (83,822) |
| | | <u>2,284,857</u> | <u>2,280,928</u> |
| | Restricted funds | | |
| | Current assets | <u>10,341</u> | <u>12,040</u> |
| | Designated Funds | | |
| | Current assets | <u>28,482</u> | <u>40,732</u> |
| 13 | Restricted Funds | | |
| | Building Fund | | |
| | This comprises amounts raised or given for the refurbishment and improvement of the Church premises. | | |
| | Balance brought forward | 11,149 | 9,637 |
| | Collections and donations(incl Gift Aid) | 1,425 | 1,512 |
| | Expenditure | 0 | 0 |
| | Transfer to General Fund | (12,575) | 0 |
| | Balance carried forward | <u>0</u> | <u>11,149</u> |

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

| | 2021 | 2020 |
|---|---------------|---------------|
| | £ | £ |
| b) Missionary support | | |
| Funds specifically donated to support the work undertaken in spreading the Gospel by other charities and individuals supported by the fellowship. | | |
| Balance brought forward | 891 | -2,545 |
| Income - during the year | | |
| <i>General</i> | | |
| Envelopes and SO and CAF | 44,743 | 42,860 |
| Gift Aid Tax reclaim | 5,403 | 9,403 |
| | 50,146 | 52,263 |
| Expenditure - funds remitted during year | | |
| WEC International | 2,800 | 2,800 |
| Releasr International | 2,800 | 2,800 |
| Farms Lanka | 1,200 | 1,200 |
| Home Mission | 4,000 | 9,000 |
| BMS- <i>Joe and Lois Owendens</i> | 8,960 | 9,648 |
| Africa Inland Mission - <i>C Weddell</i> | 6,800 | 6,800 |
| Bible Society | 5,200 | 5,502 |
| Mercy Ships | 500 | 650 |
| Compassion | 336 | 327 |
| CAP | 8,100 | 8,100 |
| Tear Fund | 0 | 2,000 |
| | 40,696 | 48,827 |
| Balance carried forward | 10,341 | 891 |

Designated Funds

- 14** Amounts have been transferred from Unrestricted Funds to create designated funds. The balances at 31st December 2021 are as follows:

| | £ |
|---|----------------|
| Balance at 1 January 2021 | 40,732 |
| Transfer to general funds for expenditure in the year | (12,250) |
| Family and Childrens Worker Fund | £28,482 |

KAY STREET BAPTIST CHURCH

FINANCIAL STATEMENTS

TWELVE MONTHS ENDED

31 December 2021

Charity Number 1129330

KAY STREET BAPTIST CHURCH

Independent examiner's report to the Deacons and Trustees for the year ended 31 December 2021

I report on the unaudited accounts of the Church for the year ended 31 December 2021 set out on pages 2 to 10.

Respective responsibilities of the Deacons, Trustees and Independent Examiner.

The deacons and trustees are responsible for the preparation of the accounts.

The charity's trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the Act), and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts represented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as the deacons and trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records have not been met; and
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

11th May 2022

P Terry FCA
Independent Examiner

The Croft
Cowpe Road
Rossendale
Lancs BB4 7DQ

KAY STREET BAPTIST CHURCH

Statement of financial activities for the year ended 31 December 2021

| | | 2021 | | 2020 |
|--|--------|------------------|---------------|------------------|
| | | Unrestricted | Restricted | |
| | Notes | Funds | Funds | Total |
| | | £ | £ | £ |
| Incoming Resources | | | | |
| Offerings | 2 | 101,247 | 50,146 | 151,394 |
| Investment income | 3 | 831 | | 831 |
| Donations and other income | 4 | 20,714 | 1,425 | 22,139 |
| Contributions to other causes | 5 | 3,992 | | 3,992 |
| Total Incoming Resources | | 126,784 | 51,572 | 178,356 |
| Resources Expended | | | | |
| Mission | 6 & 13 | 90,761 | 40,696 | 131,457 |
| Depreciation | 9 | 0 | 0 | 0 |
| Church Premises | 7 & 13 | 51,509 | 0 | 51,509 |
| Administration | 8 | 5,409 | 0 | 5,409 |
| Total Expended | | 147,679 | 40,696 | 188,375 |
| Net resources for the year (Outgoing) | | (20,895) | 10,876 | (10,020) |
| Funds transfer | | 24,825 | (24,825) | 0 |
| Total funds brought forward | | 2,280,928 | 52,772 | 2,333,700 |
| Total funds carried forward | | 2,284,858 | 38,823 | 2,323,680 |

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All the activities of the church are classed as continuing.

KAY STREET BAPTIST CHURCH

Balance Sheet as at 31 December 2021

| | Notes | 2021 | 2020 |
|--|-------|-------------------------|-------------------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 9 | 2,239,854 | 2,177,794 |
| Current assets | | | |
| Cash at Bank and in hand | | 16,471 | 19,994 |
| Deposit with Baptist Corporation | | 153,976 | 229,070 |
| | | <u>170,447</u> | <u>249,064</u> |
| Creditors: amounts falling due within one year | 10 | <u>(9,336)</u> | <u>(9,336)</u> |
| Net current assets | | 161,111 | 239,728 |
| Creditors: amounts falling due after more than one year | 11 | (77,285) | (83,822) |
| Total assets less liabilities | | <u><u>2,323,680</u></u> | <u><u>2,333,700</u></u> |
| Funds | | | |
| Unrestricted - General purposes | 12 | 2,284,857 | 2,280,928 |
| Restricted | 13 | 10,341 | 12,040 |
| Designated Funds | 14 | 28,482 | 40,732 |
| | | <u><u>2,323,680</u></u> | <u><u>2,333,700</u></u> |

These financial statements were approved by the deacons on 11th May 2022
and are signed on their behalf by:

G.Skilling - Secretary & Deacon

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

1 Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention with the exceptions that the property and historic fixtures and fittings are included at the Deacons valuation. The property has not been depreciated. The financial statements are prepared in accordance with the current Charities SORP and applicable accounting standards (FRS 102).

Funds

Unrestricted funds are available for use, at the discretion of the Deacons, in furtherance of the general objectives of the Charity. Unrestricted funds include a revaluation reserve representing the restatement of tangible assets at insurance value.

Designated funds are unrestricted funds earmarked by the Deacons for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

These funds do not include the income and expenditure of the various organisations affiliated to the Church due to presentation of separate accounts and the amounts being immaterial.

Income Tax Recoverable

Income tax recoverable on gift aid and investment income is recognised on receipt.

Fixed Assets

Properties comprising the church and the manse together with fixtures and fittings are all included at the Deacons estimate based on previous insurance valuation.

Depreciation

Properties held by the Church are stated at the Deacons valuation. Properties are maintained in a state of repair such that their estimated residual value is not less than their carrying value. The annual charge for depreciation is therefore nil. This represents a departure from the statutory rules requiring all assets with a finite life to be depreciated over their economic life.

Depreciation is calculated so as to write off the cost of an asset, less the estimated residual value, over the useful economic life of the asset as follows:

Fixtures and Fittings - 10% straight line per annum.

Pension Costs

The charity contributes to a defined contribution pension scheme for the minister and family/childrens worker. The assets of the scheme are held outside the charity. The annual contributions to the scheme are charged within the statement of financial activities as they become payable in accordance with the rules of the scheme.

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

2 Offerings - unrestricted

| | 2021 | 2020 |
|-----------------------------|----------------|---------------|
| | £ | £ |
| Weekly offerings | | |
| Cash, envelopes, SO and CAF | 87,686 | 81,892 |
| Gift aid tax reclaim | 13,561 | 15,707 |
| | <u>101,247</u> | <u>97,599</u> |

3 Investment income

| | | |
|---------------------------------|------------|--------------|
| Annuity and interest receivable | <u>831</u> | <u>2,908</u> |
|---------------------------------|------------|--------------|

4 Donations and other income

| | | |
|-------------------------------|---------------|---------------|
| General Donations | 1,982 | 3,532 |
| Church Events | 43 | 265 |
| Football Club | 1,840 | 0 |
| Property income and room hire | 555 | 1,005 |
| Family & Children | 151 | 728 |
| Job Retention Scheme | 538 | 1,982 |
| Other | 1,179 | 257 |
| Church Holiday and Day out | 6,769 | 1,210 |
| NWBA contribution | 7,657 | 7,114 |
| | <u>20,714</u> | <u>16,093</u> |

5 Contributions to other causes

Incoming

| | | |
|-----------------------|---------------|---------------|
| Bacup Family Centre | 255 | 553 |
| Bible notes | 168 | 1,291 |
| BMS Birthday Scheme | 673 | 444 |
| CAP | 15,024 | 17,507 |
| Shine | 9,253 | 3,988 |
| Harvest | 3,622 | 2,290 |
| Lent | 2,138 | 2,730 |
| Shoebox | 0 | 70 |
| Open Doors | 674 | 0 |
| Release International | 75 | 0 |
| Jonny & Joy | 0 | 1,071 |
| YP Donations | 290 | 5 |
| | <u>32,172</u> | <u>29,949</u> |

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

| | 2021 | 2,020 |
|---|---------------------|---------------------|
| | £ | £ |
| Remitted | | |
| Bacup Family Centre | 465 | 294 |
| BMS Birthday SCheme | 525 | 0 |
| Bible Notes | 472 | 838 |
| CAP | 15,331 | 14,684 |
| Jonny & Joy | 0 | 1,071 |
| Open Doors | 674 | 0 |
| Harvest | 3,391 | 2,100 |
| Release International | 75 | 0 |
| Vision | 295 | 0 |
| Tear Fund | 205 | 0 |
| Lent | 2,033 | 2,730 |
| Shine | 4,716 | 2,995 |
| | <u>28,180</u> | <u>24,712</u> |
| Net incoming/(outgoing) | <u>3,992</u> | <u>5,237</u> |
| Mission | | |
| 6 Ministers Stipends, employment costs and Pulpit Supplies | 59,304 | 75,984 |
| Pastoral Worker | 4,970 | 4,885 |
| Family Worker | 11,985 | 9,574 |
| Refreshments | 106 | 501 |
| Outreach | 309 | 0 |
| Football Club | 1,840 | 0 |
| Speakers | 832 | 120 |
| Books and resources | 89 | 229 |
| Music licence | 982 | 1,006 |
| Young Peoples Work | 1,648 | 5,093 |
| Conference/Training | 500 | -238 |
| Church Weekend | 7,670 | 600 |
| Gideons | 200 | 0 |
| Hands on | 0 | 172 |
| Hope Cafe | 326 | 0 |
| | <u>90,761</u> | <u>97,926</u> |

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

| | 2021 | 2,020 |
|--------------------------------------|---------------|---------------|
| | £ | £ |
| Church premises | | |
| 7 | | |
| Gas and electricity | 8,596 | 5,921 |
| Water Rates | 482 | 275 |
| Cleaning | 3,600 | 6,187 |
| Insurance | 3,741 | 3,372 |
| Repairs and Property Expenses | 31,831 | 4,562 |
| Telephone and internet | 1,149 | 1,074 |
| Interest on Manse Mortgage | 2,799 | 3,123 |
| Contribution to Manse costs & rental | (4,684) | (3,375) |
| Equipment | 3,994 | 98 |
| | <u>51,509</u> | <u>21,237</u> |
| Administration | | |
| 8 | | |
| Printing, photocopier, stationery | 2,741 | 4,393 |
| Subscriptions | 1,685 | 1,237 |
| Professional fees | 958 | 290 |
| Bank Charges | 26 | 51 |
| | <u>5,409</u> | <u>5,971</u> |

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

| 9 | Tangible Fixed Assets | Church | | |
|-----------------------|----------------------------|------------------|--------------|------------------|
| | | Premises | Fixtures and | Total |
| | | Investment Prop | Fittings | |
| | | and Manse | | |
| | | £ | £ | £ |
| <i>Valuation</i> | | | | |
| | At 1 January 2021 | 2,177,794 | 96,714 | 2,274,508 |
| <i>Additions</i> | | | | |
| | Buyout of 3rd Party Share | 62,060 | 0 | 62,060 |
| <i>Depreciation</i> | | | | |
| | At 1 January 2021 | 0 | 96,714 | 96,714 |
| | Charge for year | | | |
| | | 0 | 96,714 | 96,714 |
| <i>Net book value</i> | | | | |
| | At 31 December 2021 | 2,239,854 | 0 | 2,239,854 |
| | At 31 December 2020 | 2,177,794 | 0 | 2,177,794 |

During the year the church purchased the share of the Manse that was held by a third party.
The valuation of the manse following this transaction is £332,500.

| | 2021 | 2020 |
|--|---------------|---------------|
| Creditors: amounts falling due within one year | | |
| 10 Mortgage on the Manse | 9,336 | 9,336 |
| | <u>9,336</u> | <u>9,336</u> |
| Creditors: amounts falling due after more than one year | | |
| 11 Mortgage on the Manse | <u>77,285</u> | <u>83,822</u> |

The mortgage has been taken out with regard to the purchase of the manse and is secured on same.
It is repayable over 25 years.

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

| Statement of Assets | | 2021 | 2020 |
|---------------------|--|------------------|------------------|
| 12 | | £ | £ |
| | Unrestricted funds | | |
| | Fixed assets | 2,239,854 | 2,177,794 |
| | Current assets/ liabilities | 122,288 | 186,956 |
| | Creditors: Amounts due after more than one year | (77,285) | (83,822) |
| | | <u>2,284,857</u> | <u>2,280,928</u> |
| | Restricted funds | | |
| | Current assets | <u>10,341</u> | <u>12,040</u> |
| | Designated Funds | | |
| | Current assets | <u>28,482</u> | <u>40,732</u> |
| | Restricted Funds | | |
| 13 | Building Fund | | |
| | This comprises amounts raised or given for the refurbishment and improvement of the Church premises. | | |
| | Balance brought forward | 11,149 | 9,637 |
| | Collections and donations(incl Gift Aid) | 1,425 | 1,512 |
| | Expenditure | 0 | 0 |
| | Transfer to General Fund | (12,575) | 0 |
| | Balance carried forward | <u>0</u> | <u>11,149</u> |

KAY STREET BAPTIST CHURCH

Notes to the financial statement for the year ended 31 December 2021

| | 2021 | 2020 |
|---|---------------|---------------|
| | £ | £ |
| b) Missionary support | | |
| Funds specifically donated to support the work undertaken in spreading the Gospel by other charities and individuals supported by the fellowship. | | |
| Balance brought forward | 891 | -2,545 |
| Income - during the year | | |
| <i>General</i> | | |
| Envelopes and SO and CAF | 44,743 | 42,860 |
| Gift Aid Tax reclaim | 5,403 | 9,403 |
| | 50,146 | 52,263 |
| Expenditure - funds remitted during year | | |
| WEC International | 2,800 | 2,800 |
| Releasr International | 2,800 | 2,800 |
| Farms Lanka | 1,200 | 1,200 |
| Home Mission | 4,000 | 9,000 |
| BMS- <i>Joe and Lois Owendens</i> | 8,960 | 9,648 |
| Africa Inland Mission - <i>C Weddell</i> | 6,800 | 6,800 |
| Bible Society | 5,200 | 5,502 |
| Mercy Ships | 500 | 650 |
| Compassion | 336 | 327 |
| CAP | 8,100 | 8,100 |
| Tear Fund | 0 | 2,000 |
| | 40,696 | 48,827 |
| Balance carried forward | 10,341 | 891 |

Designated Funds

- 14** Amounts have been transferred from Unrestricted Funds to create designated funds. The balances at 31st December 2021 are as follows:

| | £ |
|---|----------------|
| Balance at 1 January 2021 | 40,732 |
| Transfer to general funds for expenditure in the year | (12,250) |
| Family and Childrens Worker Fund | £28,482 |