

## **KAY STREET BAPTIST CHURCH**

### **Deacons' and Trustees' report for the year ended 31 December 2022**

The deacons and trustees have pleasure in presenting their report and the audited financial statements of the church for the year ended 31 December 2022.

**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.
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.

1. **Regular public worship:** Central to the work and witness of the Church is the provision of regular public services of Christian worship. Services normally take place on Sundays at 10:30am. 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](http://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 occurs weekly via Zoom and saw an increase in numbers taking part.

2. **Baptism:** There were 3 baptisms during 2022. There was one new member by profession. Deletions during the year amounted to 7 caused by resignations (all of whom had moved away from the district). The net result is that our actual membership is 95, a decrease of 6 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:**  
The church continues to provide meals for those who were struggling financially 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. Similarly, our Tuesday morning café (Hope café) continues to provide company, sustenance and spiritual support for members of the local community.  
Regular activities:- 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:** We continue to employ a Family and Children's Worker. 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. The church runs a weekly 'Shine' meal and 'Hope' café (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.
8. **Pastoral care:** We appointed a new senior minister who resigned after a few months of service. 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 Farms Lanka, Africa Inland Mission, Bible Society, Release International, Baptist Missionary Society, and WEC. Closer to home the church gives regularly to the work of Christians Against Poverty, Rossendale Debt Centre.
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.

The most significant expenses incurred during the year related to:

- 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.

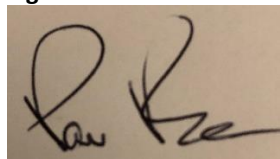
The Trustees are also required to indicate where the Financial Statements are prepared other than on the basis that the charity is a going concern.

### ***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.

### **Deacons' and Trustees' report for the year ended 31 December 2022**

**Signed on behalf of the Deacons**

A handwritten signature in black ink, appearing to read 'P. Reeves', is written on a light-colored background.

**P. Reeves – Secretary & Deacon during the year under review**

**Date: 29<sup>th</sup> October 2023**

## KAY STREET BAPTIST CHURCH INDEPENDENT EXAMINER'S REPORT

### Independent examiner's report to the trustees of Kay Street Baptist Church

I report to the trustees on my examination of the accounts of Kay Street Baptist Church for the year ended 31 December 2022.

### Responsibilities and basis of report

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

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

### Independent examiner's statement


Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Certified Accountants, which is one of the listed bodies.

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

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

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

This report, including my statement, has been prepared for and only for the charity's trustees as a body. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for my independent examination work, for this report, or for the opinions I have formed.



David Stott FCCA

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24 October 2023

**Key Street Baptist**  
**Statement of Financial Activities**

For the Year Ended 31 December 2022

		Unrestricted Funds	Restricted Funds	Total 2022	Funds 2021
	Note	£	£	£	£
<b>INCOME &amp; ENDOWMENTS FROM</b>					
Donations & Legacies	2a	173,394	65,103	238,498	192,233
Charitable activities	2b	18,007	0	18,007	18,732
Investments	2c	2,119	0	2,119	831
Other	2d	0	0	0	0
<b>TOTAL</b>		<b>193,520</b>	<b>65,103</b>	<b>258,624</b>	<b>211,796</b>
<b>EXPENDITURE ON</b>					
Raising funds	3a	0	0	0	0
Charitable activities	3b	214,974	50,036	265,010	221,956
<b>TOTAL</b>		<b>214,974</b>	<b>50,036</b>	<b>265,010</b>	<b>221,956</b>
<b>NET INCOMING /(EXPENDITURE</b>		<b>(21,454)</b>	<b>15,067</b>	<b>(6,386)</b>	<b>(10,160)</b>
Transfers between funds		28,665	(28,665)	0	0
Gains/(losses) on investment assets On revaluation		0	0	0	0
<b>NET MOVEMENT IN FUNDS</b>		<b>7,211</b>	<b>(13,598)</b>	<b>(6,386)</b>	<b>(10,160)</b>
<b>TOTAL FUNDS B/FWD AT 1 JANUARY</b>		<b>2,294,365</b>	<b>48,365</b>	<b>2,342,730</b>	<b>2,352,889</b>
<b>TOTAL FUNDS C/FWD AT 31 DECEMBER</b>		<b>2,301,577</b>	<b>34,767</b>	<b>2,336,344</b>	<b>2,342,729</b>

The notes form part of these accounts

**Key Street Baptist**  
**Balance sheet at 31 December 2022**

	Note	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
<b>FIXED ASSETS</b>					
Tangible	5a	2,241,364	0	2,241,364	2,239,854
Investments	5b	0	0	0	0
		<u>2,241,364</u>	<u>0</u>	<u>2,241,364</u>	<u>2,239,854</u>
<b>CURRENT ASSETS</b>					
Debtors	6	11,008	5,647	16,655	24,449
Investments					
Cash at bank and in hand		131,176	29,121	160,297	170,447
		<u>142,184</u>	<u>34,768</u>	<u>176,952</u>	<u>194,896</u>
<b>LIABILITIES</b>					
Creditors - amounts falling due in one year	7	10,296	0	10,296	14,736
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>131,888</u>	<u>34,768</u>	<u>166,656</u>	<u>180,160</u>
Creditors - amounts falling due after one year	8	71,676	0	71,676	77,285
<b>TOTAL NET ASSETS</b>		<u>2,301,576</u>	<u>34,768</u>	<u>2,336,344</u>	<u>2,342,729</u>
<b>FUNDS</b>					
Unrestricted	9	2,301,576	0	2,301,576	2,294,364
Restricted	10	0	20,951	20,951	19,883
Designated		0	13,817	13,817	28,482
		<u>2,301,576</u>	<u>34,768</u>	<u>2,336,344</u>	<u>2,342,729</u>

These financial statements were approved by the deacons on and signed on their behalf by

## KAY STREET BAPTIST CHURCH

### Notes to the financial statement for the year ended 31 December 2022

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#### 1 Accounting policies

##### *Basis of preparation*

The accounts are prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP 2021), FRS102 and with the Charities Act 2011. Kay Street Baptist church is a registered charity, no 1129330 and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### *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.

##### *Incoming resources*

Planned giving, collections and donations are recognized when received. Tax refunds are recognized when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends are accounted for when receivable, interest is accrued. All other income is recognized when it is receivable. All incoming resources are accounted for gross.

##### *Fixed Assets*

Properties comprising the church and the manse are all

included at the Deacons estimate based on previous insurance valuation.

Fixtures, fittings and equipment are capitalised if they can be used for more than one year and costs at least £1,000

##### *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, Fittings & Equipment - 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.

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*Changes to previous accounts*

This is the first year in which accounts have been prepared on an accruals basis. The 2021 comparatives are restated on the new basis. As a result of the change reserves have been adjusted as follows:

	£
<i>Increase in reserves at 1st January 2021</i>	<i>19,189</i>
<i>Further adjustment in 2021</i>	<i>(140)</i>
<i>Increase in reserves at 1st January 2022</i>	<i>19,049</i>



<b>2</b>	<b>INCOME &amp; ENDOWMENTS</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>2a</b>	<b>Donations &amp; Legacies</b>				
	Planned giving:				
	Weekly offerings	84,925	59,457	144,382	134,932
	Tax recoverable	10,883	5,647	16,530	23,147
	Other	0	0	0	0
	Legacies	9,952	0	9,952	0
	Donations	40,108	0	40,108	1,982
	Contributions to other causes	27,526	0	27,526	32,172
		<u>173,394</u>	<u>65,103</u>	<u>238,498</u>	<u>192,233</u>
				0	
<b>2b</b>	<b>Charitable activities</b>	<u>18,007</u>	<u>0</u>	<u>18,007</u>	<u>18,732</u>
<b>2c</b>	<b>Income from investments</b>				
	Annuity and interest receivable	2,119	0	2,119	831
		<u>2,119</u>	<u>0</u>	<u>2,119</u>	<u>831</u>
<b>2d</b>	<b>Other</b>	0	0	0	0
	<b>TOTAL INCOMING RESOURCES</b>	<u>193,520</u>	<u>65,103</u>	<u>258,624</u>	<u>211,795</u>

<b>3</b>	<b>EXPENDITURE</b>				
<b>3a</b>	<b>Raising funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>3b</b>	<b>Church activities</b>				
	Contributions to other causes				
	CAP Debt Centre	13,438	0	13,438	15,331
	Shine	9,597	0	9,597	4,716
	Harvest	0	0	0	3,391
	Lent	3,227	0	3,227	2,033
	Other	3,195	0	3,195	2,709
	Missionary Support	0	50,036	50,036	40,696
		<u>29,456</u>	<u>50,036</u>	<u>79,492</u>	<u>68,876</u>
	Mission				
	Minister and related costs	52,261	0	52,261	59,304
	Minister Visa	5,408	0	5,408	5,400
	Pastoral Worker	5,091	0	5,091	4,970
	Family Worker	14,225	0	14,225	11,985
	Other	8,500	0	8,500	14,502
		<u>85,485</u>	<u>0</u>	<u>85,485</u>	<u>96,161</u>
	Church Premises				
	Utilities, cleaning insurance	22,054	0	22,054	12,885
	Repairs and property expenses	48,474	0	48,474	31,831
	Equipment	13,877	0	13,877	3,994
	Depredation	80	0	80	0
	Interest on Manse mortgage	3,727	0	3,727	2,799
		<u>88,212</u>	<u>0</u>	<u>88,212</u>	<u>51,509</u>
	Governance and administration				
	Professional fees	6,320	0	6,320	958
	Other	5,500	0	5,500	4,452
		<u>11,820</u>	<u>0</u>	<u>11,820</u>	<u>5,409</u>
	<b>TOTAL RESOURCES EXPENDED</b>	<u><b>214,974</b></u>	<u><b>50,036</b></u>	<u><b>265,010</b></u>	<u><b>221,956</b></u>

#### 4 STAFF COSTS AND TRUSTEE EXPENSES

	2022	2021
Salaries	55,975	50,029
Pension Costs	6,140	6,530
Other Costs	15,376	15,741
<b>Total</b>	<b>77,491</b>	<b>72,299</b>

The average number of employees during the year was 3 3

No employee received remuneration in excess of £50,000 during the year

None of the trustees received any expenses.

The Church pays pension contributions for its Minister to the Baptist Ministers Pension Trust Limited, which is a final salary defined benefit scheme, which is not contracted out of the State second pension. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the church. Therefore, in accordance with FRS102 Section 28, the scheme is accounted for as a defined contribution scheme.

#### 5 Tangible Fixed Assets

	Church Premises and Manse £	Fixtures and Fittings £	Total £
Valuation			
At 1 January 2022	2,239,854	96,714	2336568
Additions		1,590	1590
	2,239,854	98,304	2,338,158
Depreciation			
At 1 January 2022	0	96,714	96714
Charge for year		80	80
	0	96,794	96,794
Net book value			
At 31 December 2022	2,239,854	1,510	2,241,364
At 31 December 2021	2,239,854	0	2239854

During 2021 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.

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Funds 2021 £
<b>6 DEBTORS</b>				
Tax recoverable	11,008	5,647	16,655	24,449
	<u>11,008</u>	<u>5,647</u>	<u>16,655</u>	<u>24,449</u>

	<u>2022</u>	<u>2021</u>
<b>7 Creditors: amounts falling due within one year</b>		
Mortgage on the Manse	9,336	9,336
Audit & Legal Fees	960	5,400
	<u>10,296</u>	<u>14,736</u>

<b>8 Creditors: amounts falling due after more than one year</b>		
Mortgage on the Manse	<u>71,676</u>	<u>77,285</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.

<b>9 Statement of Assets</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>		
Fixed assets	2,241,364	2,239,854
Current assets/ liabilities	131,888	131,795
Creditors: Amounts due after more than one year	<u>(71,676)</u>	<u>(77,285)</u>
	<u>2,301,576</u>	<u>2,294,364</u>
<b>Restricted funds</b>		
Current assets	<u>20,951</u>	<u>19,883</u>
<b>Designated Funds</b>		
Current assets	<u>13,817</u>	<u>28,482</u>

## 10 Restricted Funds

### Building Fund

This comprises amounts raised or given for the refurbishment and improvement of the Church

Balance brought forward	1,302	11,375
Collections and donations(incl Gift Aid)	13,270	2,502
Expenditure	0	0
Transfer to General Fund	(14,000)	(12,575)
Balance carried forward	572	1,302
	2022	2021
	£	£

### b) Missionary support

Funds specifically donated to support the work undertaken in spreading the Gospel by other and individuals supported by the fellowship.

Balance brought forward	18,581	6,294
Income - during the year		
General		
Envelopes and SO and CAF	46,387	44,743
Gift Aid Tax reclaim	5,447	8,240
	51,834	52,983

### Expenditure - funds remitted during year

WEC International	2,800	2,800
Release International	2,800	2,800
Farms Lanka	1,200	1,200
Home Mission	11,600	4,000
BMS- Joe and Lois Overdens	8,960	8,960
Africa Inland Mission - C Weddell	6,800	6,800
Bible Society	5,400	5,200
Mercy Ships	0	500
Compassion	336	336
CAP	8,100	8,100
Tear Fund	2,040	0
	50,036	40,696

Balance carried forward	20,379	18,581
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#### Designated Funds

Amounts have been transferred from Unrestricted Funds to create designated funds.  
The balances at 31st December 2022 are as follows:

	£
Balance at 1 January 2022	28,482
Transfer to general funds for expenditure in the year	<u>(14,665)</u>
Family and Childrens Worker Fund	<u>13,817</u>