

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

HARROW BAPTIST CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Doug Etheridge
Revd Andrew Jackson
Lin Artus
Mark Jeffreys
Barbara Etheridge
Julie Jackson-Hales
Roger Hughes
Femi Amao (Appointed 1 April 2023)
Chris Wade (Appointed 1 April 2023)
Frances Duffy

Charity number

1129832

Independent examiner

Summers Morgan
First Floor, Sheraton House
Lower Road
Chorleywood
Hertfordshire
WD3 5LH

Investment advisors

Rathbone Investment Management Limited
1 Curzon Street
London
W1J 5FB

HARROW BAPTIST CHURCH

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HARROW BAPTIST CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their report and accounts for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland published in October 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 to include the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the church shall determine. In particular, the charity has the purpose of providing for the advancement of the Christian faith in Harrow and beyond, providing instruction for children, young people and adults in the Christian faith, holding public Christian worship, and having Christian fellowship with other Christians

Governance

Harrow Baptist Church is an unincorporated charity.

The charity is governed in accordance with a Constitution dated 28 November 2008 supplemented by approved relevant notes, a copy of which is available to members of the charity.

The freehold of the church building is held on trust by the London Baptist Property Board, with the church having the beneficial ownership of the premises.

Public Benefit

When planning the church's activities, the Deacons/Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. The trustees consider that the charity is fulfilling its requirement to deliver a public benefit, as shown by:

The church's worship services are open to all and we operate an open communion table. The church building is open for much of the week and the premises are used by, or hired to, people of all backgrounds. There is a strong emphasis on providing services to the local community. To allow this to happen, the church employs a warden (resident) and a deputy warden, both trained: to welcome our visitors; to allow the church to be open much of the week; and to provide security to visitors and the premises. All our activities are advertised on the Church website.

The church made its accommodation available to charitable and social causes at a fair cost to cover expenses. These included Connex and Mind (mental health charities), Diabetes UK, Firm Foundation, and NHS Harrow.

The church continued to support a number of charities by means of grants, especially Baptist Home Mission and BMS World Mission, Christian Aid, St Luke's Hospice and 'Embrace the Middle East'. Details are included in the Accounts. The church also raised funds for several other charities directly through coffee mornings, concerts, stalls, etc. and indirectly, by giving discounts on hall bookings.

Membership

Members are admitted in accordance with the provisions of the Constitution by vote of the Church Meeting on the basis of their profession of Christian faith, either by Believers' Baptism or by affirmation. This year we have a membership of 90. The list of members and friends is carefully reviewed as required. Members are encouraged to assist the work of the church by volunteering to help in various organisations of the church.

Trustees

The managing Trustees of the charity are the Minister of the Church (appointed by the Church Meeting for an unspecified period), the Church Secretary and Treasurer and up to twelve deacons (appointed by the Church Meeting for a period of three years). The last election took place in March 2023. The Trustees meet at least nine times per year to review operations, the financial position and any developments to ensure the Church's objectives are being fulfilled

HARROW BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Social investments

Fraud Prevention

A Fraud Prevention and Tax Evasion policy is in place to ensure there will be greater awareness of the risks we face in this area, the necessary behaviours we expect from staff and volunteers and ways in which we are seeking to prevent fraud.

Grant making policy

Data Protection

A Data Protection policy and procedures are in place to support our compliance with the General Data Protection Regulations (GDPR). This includes privacy notices and consent forms with on-line tools being used as much as possible for easier operation. The church is registered with the Information Commissioner's Office.

Volunteers

Church Members' Meeting

A meeting of Church members is held 6 times per year. One of the meetings incorporates the constitutional Annual Church Members' Meeting to receive the annual accounts and report, to appoint an Independent Examiner, and to consider proposals for the strategy and vision of the church in the coming year, along with other appropriate matters.

The Budget for the year is discussed and agreed at the first meeting of the year.

The Church Meeting has responsibility for the overall policy of the church, in accordance with the Constitution. Relevant matters may be submitted to the Church Meeting by the Trustees for guidance, or may be raised by members in a Church Meeting for further consideration by the Trustees.

Achievements and performance

Significant activities and achievements against objectives

Core 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 public community. The church's aim is, by following Jesus' example, to work to show God's love to all through worship and service.

Aim and purposes

Harrow Baptist Church has the responsibility of cooperating with the minister, Andrew Jackson, in promoting the services of the church, providing a shared community space for the town of Harrow, the whole mission of the Church, pastoral, evangelistic, and social.

The church also is responsible for the maintenance of the premises on College Road, Harrow.

Objectives and Activities

Harrow Baptist Church is committed to welcoming and enabling people of diverse backgrounds to worship at our church and to become part of the church's community. Members of the church are encouraged and guided to contribute in the services such as by sharing sermons, testimonies, playing instruments and singing. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

Aside from that, the building also serves as a worship space for the Korean speaking church and an additional space for other churches to gather in worship. As a whole, the church building and the activities are open to anyone in Harrow, regardless of their faith, to use and to join.

While activities are annually planned in accordance with Christian Festivals, the church regularly come together to decide on how else they could serve the community of Harrow based on world events. This is also in consideration of the Commission's guidance on public benefit.

HARROW BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and Performance

Worship and Prayer

Harrow Baptist offers the following services to serve its community on their spiritual needs:

- Space for prayers in the morning
- Weekly prayer meeting online
- 4U bible study for the youths, families and the young at heart

Services continued to be streamed online for those with accessibility issues and those who are ill for the day. Facebook Live has been an easier set up as it only requires a phone and a tripod instead of a person manning the feed. The drawback is that the viewer would not be able to see the projector as there is no one to toggle between the screens. While there are plans to reinstate the previous arrangement for live streams as there is a stronger internet bandwidth now, it would require more volunteer training to be able to set it up regularly.

Since the pandemic, the church services continue to include the children in the first half of the service before being sent off to Sunday School with an All-Age Talk that precedes the main sermon. Occasionally our worship is an all age-service that engages the children to be part of the service. It makes the services and the congregation livelier while making sure that those with younger children are welcomed and included in the service.

All are welcome to attend our regular services and to fellowship over tea after. At present there are 90 members on the Church Electoral Roll. 6 names were added during the year. The average weekly attendance is about 50 people but this number increases during festivities and special services such as the annual Christmas carol services, which saw a record number of over 100 people by holding an activity day for families to take part before the service starts.

Additionally, we celebrated the journey of the Christian faith through baptism with our baptism service on 10th December. 6 people followed Jesus in being baptised and welcomed into the church community and followed by a church lunch.

Pastoral Care

Tuesday Morning Coffee is a staple for those who want a cup of coffee and some company while all proceeds go to a local charity such as St Luke's Hospice. Occasionally there's a small home bake or Fairtrade sale to raise more funds and for people to have a sweet treat at home. On average, it sees about 20 people attending raising around £40.

An extension of the morning coffee session is the warm hub, which was started in 2022. The warm hub runs right after morning coffee at 11am to 3pm for the remainder of winter. This allows anyone around Harrow who needs a warm space and a warm meal provided by Harrow community centre. In 2023 we had to scale back on the days offered in 2022 as there are not enough volunteers to commit to two days a week.

On Wednesdays, our large hall is open for the Young One Toddler's Group. This is when the mothers and carers with their toddlers gather for some much needed playtime and socialising during term time.

The Sunday school runs at the same time as the services. Parents are welcome to leave their baby or toddler with the volunteers or join them if they prefer. Sunday school caters to children ages 4 to 14 years and continues to run even if there is one child present.

Church lunches continue on an average of one every month, usually on the second week. This gives the congregation more time to mingle and share a meal after the post-service tea. All visitors are invited and welcomed to eat with us while we have fellowship.

Mission and Evangelism

Helping those in need is a demonstration of our faith which the congregation is in agreement of when they come together to either raise funds or organise activities. £730 was raised for the home for special needs children in Thailand as well as a contribution raised for our missionaries in Laos.

HARROW BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Additionally, individual members are active in contributing in their own ways to causes they are passionate about and the Harrow community. One member does her annual sponsored long distanced walk to raise funds for St Luke's Hospice while another actively coordinate donated food for Harrow Foodbank.

But above all we give thanks to the One who is the same yesterday, today and forever, who loves us with an everlasting love which will never let us go.

Administration

Having established the principle during the COVID pandemic, the trustee meetings were held on Zoom and minutes were taken as usual. Church members' meetings were less effective on Zoom and were resumed in person. The AGM was held in March 2023 and new deacons were elected.

All hand sanitisers and other COVID safety equipment were left in place and are still used by some of our visitors.

Risks and Issues

The concern we had last year for the return to normal services proved to be false as most of the congregation have returned for services. A few of our more senior members now take the opportunity to watch the live streaming of the services at home and so this practice continues; the church has purchased more equipment to make the presentation of a higher standard.

The church continues to take issue of risk seriously. There are plans for EICR and PAT testing in 2024 and the regular training for Safeguarding will resume after the pandemic.

The trustees are aware that the church membership is becoming much more transient, with people coming to Harrow for maybe a year or so and then moving on to continue their career. We are finding ways to make them welcome for the time they are with us, It does mean that it is more difficult to find officers and trustees and we will consider whether the requirement for a year's membership before becoming a trustee is sustainable.

As always, there is a continued financial risk with expenditure exceeding income for another year.

Financial review

Treasurer's Report, 2023

2023 has proved to be a better year for the church financially. With increased income and reduced expenditure the deficit reduced from near £66k to £8.5k. Thank you to all our congregation as personal giving has increased, as has the investment income.

However, with assets of £3 million of which over £1 million is defined as investment, income of £55k is acceptable but could be improved. The trustees decided to investigate with a finance consultant to see what we should be expecting. The church will consider changes during 2024.

In previous reports, there have been references to building a new entrance to the church, opening out onto the newly formed square. There is a good chance that this will happen in 2024.

The trial of SumUp worked well and the church now has the facility for visitors to give using their cards. Currently the gifts given by card are recorded as Sunday cash but as the amounts increase, the finance team will consider creating a new code for income on the computer system.

HARROW BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Doug Etheridge

Revd Andrew Jackson

Lin Artus

Carol Fox

(Retired 31 March 2023)

Mark Jeffreys

Barbara Etheridge

Julie Jackson-Hales

Roger Hughes

Femi Amao

(Appointed 1 April 2023)

Chris Wade

(Appointed 1 April 2023)

Frances Duffy

As is usual with Baptist Churches, all major decisions are made by the Church Members' Meeting. All Members of the Church are able to attend the Church Members' Meeting, and are allowed to vote. To be a Church Member, an individual needs to attend our Church regularly, and then ask to be considered as a Member. The application is considered at a Church Members' Meeting and the decision on this application is made by majority.

Each year at the Church AGM Church Members' Meeting elect Deacons. All Deacons must be Members of the Church and serve for a three year period. Deacons as Trustees, meet at least 8 times during the year to make recommendations to the Church Members Meeting to accept or reject.

The aim of the Church is to show God's love to the people in the locality, following the example of Jesus.

Doug Etheridge

.....
Doug Etheridge

Trustee

Date:28/102024.....

HARROW BAPTIST CHURCH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HARROW BAPTIST CHURCH

I report to the trustees on my examination of the financial statements of Harrow 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

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.



Nicholas Corden ACA

Summers Morgan

First Floor, Sheraton House
Lower Road
Chorleywood
Hertfordshire
WD3 5LH

Dated: ..28/10/2024.....

HARROW BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income from:						
Donations and legacies	3	97,871	-	2,194	100,065	78,917
Charitable activities	4	38,054	-	3,225	41,279	38,277
Investments	5	46,592	-	-	46,592	38,761
Total income		182,517	-	5,419	187,936	155,955
Expenditure on:						
Raising funds	6	5,241	-	-	5,241	12,818
Charitable activities	7	192,206	-	5,194	197,400	209,054
Total expenditure		197,447	-	5,194	202,641	221,872
Net gains/(losses) on investments	13	6,169	-	-	6,169	(32,405)
Net income/(expenditure)		(8,761)	-	225	(8,536)	(98,322)
Net movement in funds	10	(8,761)	-	225	(8,536)	(98,322)
Reconciliation of funds:						
Fund balances at 1 January 2023		3,083,502	19,011	3,112	3,105,625	3,203,947
Fund balances at 31 December 2023		3,074,741	19,011	3,337	3,097,089	3,105,625

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

HARROW BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
Income from:					
Donations and legacies	3	72,105	198	6,614	78,917
Charitable activities	4	35,801	-	2,476	38,277
Investments	5	38,761	-	-	38,761
Total income		146,667	198	9,090	155,955
Expenditure on:					
Raising funds	6	12,818	-	-	12,818
Charitable activities	7	200,248	537	8,269	209,054
Total expenditure		213,066	537	8,269	221,872
Net gains/(losses) on investments	13	(32,405)	-	-	(32,405)
Net income/(expenditure)		(98,804)	(339)	821	(98,322)
Transfers between funds		(79)	79	-	-
Net movement in funds	10	(98,883)	(260)	821	(98,322)
Reconciliation of funds:					
Fund balances at 1 January 2022		3,182,385	19,271	2,291	3,203,947
Fund balances at 31 December 2022		3,083,502	19,011	3,112	3,105,625

HARROW BAPTIST CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	15		1,928,127		1,934,513
Investments	16		616,613		608,958
			<u>2,544,740</u>		<u>2,543,471</u>
Current assets					
Debtors	18	19,593		16,149	
Investments	19	533,283		542,045	
Cash at bank and in hand		18,327		22,339	
		<u>571,203</u>		<u>580,533</u>	
Creditors: amounts falling due within one year	20	(8,854)		(8,379)	
Net current assets			<u>562,349</u>		<u>572,154</u>
Total assets less current liabilities			3,107,089		3,115,625
Creditors: amounts falling due after more than one year	21		(10,000)		(10,000)
Net assets			<u>3,097,089</u>		<u>3,105,625</u>
The funds of the charity					
Restricted income funds	24		3,337		3,112
Unrestricted funds - general			3,074,741		3,083,502
Unrestricted funds - designated	23		19,011		19,011
			<u>3,097,089</u>		<u>3,105,625</u>

The financial statements were approved by the trustees on ..28/10/2024.....

Doug Etheridge

Doug Etheridge
Trustee

HARROW BAPTIST CHURCH

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

1 Accounting policies

Charity information

Harrow Baptists Church is an unincorporated Charity registered with the Charity commission in England and Wales (number 1129832); its principle address is detailed within the legal and administration section of the trustees report.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

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

1.2 Going concern

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

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. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the church 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 church has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected.

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.

HARROW BAPTIST CHURCH

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

1 Accounting policies

(Continued)

Expenditure is recognised on an accruals basis.
Grants and donations paid are accounted for when paid out.

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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	1% on freehold buildings
Plant and machinery	between 10% and 33%
Fixtures, fittings & equipment	between 10% and 33%
Computer equipment	50% straight line

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 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.

1.9 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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.

HARROW BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or related entity.

1.11 Tax Status

Harrow Baptist Church is a registered charity and therefore it is not assessable to income tax on any charitable funds with the scope of Section 505 of the Income and Corporation taxes Act 1988.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the directors 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.

HARROW BAPTIST CHURCH

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

3 Income from donations and legacies

	Unrestricted funds		Unrestricted funds designated		Restricted funds		Endowment funds		Total		Unrestricted funds general		Unrestricted funds designated		Restricted funds		Total	
	2023	£	2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£	2022	£
Donations and gifts	16,997		-		-		-		16,997		7,950		173		3,891		12,014	
Grants	42,488		-		-		-		44,682		44,364		25		2,523		46,912	
Gift aid Refund	26,732		-		-		-		26,732		13,521		-		-		13,521	
Donations from Organisations	11,654		-		-		-		11,654		6,077		-		200		6,277	
Other	-		-		-		-		-		193		-		-		193	
	97,871		-		-		-		100,065		72,105		198		6,614		78,917	

HARROW BAPTIST CHURCH

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

4 Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:						
Other Coffee Mornings	-	2,007	2,007	-	1,861	1,861
Lunches and Suppers	226	-	226	430	-	430
Hall Bookings	37,193	-	37,193	35,340	-	35,340
Christmas Activities	426	-	426	25	-	25
Other	209	1,218	1,427	6	615	621
	<u>38,054</u>	<u>3,225</u>	<u>41,279</u>	<u>35,801</u>	<u>2,476</u>	<u>38,277</u>

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	8,400	8,400
Income from listed investments	17,607	18,279
Interest receivable	20,585	12,082
	<u>46,592</u>	<u>38,761</u>

6 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Costs incurred for activities		
Other trading activities	170	7,604
Investment management costs	5,071	5,214
Total costs	<u>5,241</u>	<u>12,818</u>

HARROW BAPTIST CHURCH

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

7 Expenditure on charitable activities

	Unrestricted 2023 £	Unrestricted 2022 £
Direct costs		
Staff costs	68,179	63,292
Depreciation and impairment	18,796	14,525
Ministry	42,862	44,079
Visiting Ministers	605	1,210
Organist/Pianist	2,900	2,800
Mission	4,115	5,098
Fees	1,140	2,786
Insurance	6,353	8,115
Office Costs	3,044	3,303
Maintenance	6,526	19,166
Heat and Light	15,029	14,001
Other Costs	2,765	3,824
	<u>172,314</u>	<u>182,199</u>
Grant funding of activities (see note 8)	12,974	16,806
Share of support and governance costs (see note 9)		
Support	7,912	5,849
Governance	4,200	4,200
	<u>197,400</u>	<u>209,054</u>
Analysis by fund		
Unrestricted funds - general	192,206	200,248
Unrestricted funds - designated	-	537
Restricted funds	5,194	8,269
	<u>197,400</u>	<u>209,054</u>

Ministry costs comprise the salary of the minister and the costs of the manse.

HARROW BAPTIST CHURCH

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

8 Grants payable

	Charitable Activities 2023 £	Charitable Activities 2022 £
Grants to institutions:		
Baptist World Mission (BMS)	5,596	4,550
Home Mission	4,378	4,103
Biblelands	-	2,500
St Lukes Hospice	3,000	-
Other (Ukraine Support)	-	3,345
Other	-	2,308
	<u>12,974</u>	<u>16,806</u>

9 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Office Costs	6,017	-	6,017	4,052	-	4,052
Cleaning Contract	1,895	-	1,895	1,797	-	1,797
Independent Examination Fees	-	2,040	2,040	-	2,040	2,040
Accountancy	-	2,160	2,160	-	2,160	2,160
	<u>7,912</u>	<u>4,200</u>	<u>12,112</u>	<u>5,849</u>	<u>4,200</u>	<u>10,049</u>
Analysed between Charitable activities	<u>7,912</u>	<u>4,200</u>	<u>12,112</u>	<u>5,849</u>	<u>4,200</u>	<u>10,049</u>

10 Net movement in funds

	2023 £	2022 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	2,040	2,040
Depreciation of owned tangible fixed assets	<u>18,796</u>	<u>14,525</u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year for their role as a trustee. Trustee Andrew Jackson received £32,520 for his role as a Minister.

HARROW BAPTIST CHURCH

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

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Minister	1	1
Mission and administration	3	4
	<hr/>	<hr/>
Total	4	5
	<hr/>	<hr/>

Employment costs

	2023 £	2022 £
Wages and salaries	68,179	63,292
	<hr/>	<hr/>

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

Remuneration of key management personnel

13 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	11,333	(29,063)
Sale of investments	(5,164)	(3,342)
	<hr/>	<hr/>
	6,169	(32,405)
	<hr/>	<hr/>

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

HARROW BAPTIST CHURCH

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

15 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2023	1,927,442	134,381	290,095	121	2,352,039
Additions	-	-	11,095	1,315	12,410
At 31 December 2023	1,927,442	134,381	301,190	1,436	2,364,449
Depreciation and impairment					
At 1 January 2023	24,154	107,293	286,018	61	417,526
Depreciation charged in the year	2,267	8,678	7,253	598	18,796
At 31 December 2023	26,421	115,971	293,271	659	436,322
Carrying amount					
At 31 December 2023	1,901,021	18,410	7,919	777	1,928,127
At 31 December 2022	1,903,288	27,088	4,077	60	1,934,513

16 Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
Cost or valuation			
At 1 January 2023	597,393	11,565	608,958
Additions	153,605	-	153,605
Valuation changes	11,514	-	11,514
Cash movement	-	(7,287)	(7,287)
Disposals	(151,043)	-	(151,043)
At 31 December 2023	611,469	4,278	615,747
Carrying amount			
At 31 December 2023	611,469	4,278	615,747
At 31 December 2022	597,393	11,565	608,958

17 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	533,283	542,045

HARROW BAPTIST CHURCH

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

18 Debtors	2023	2022
	£	£
Amounts falling due within one year:		
Other debtors	19,593	16,149
	<u> </u>	<u> </u>
19 Current asset investments	2023	2022
	£	£
Unlisted investments	533,283	542,045
	<u> </u>	<u> </u>
20 Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	4,653	297
Accruals and deferred income	4,201	8,082
	<u> </u>	<u> </u>
	8,854	8,379
	<u> </u>	<u> </u>
21 Creditors: amounts falling due after more than one year	2023	2022
	£	£
Borrowings	10,000	10,000
	<u> </u>	<u> </u>

HARROW BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Retirement benefit schemes

Defined contribution schemes

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme").

The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Minister and some members of the church staff are eligible to join the Scheme.

Since January 2012, pension provision has been made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income.

The deficiency contributions are broadly based on 12% of Pensionable Income/ Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 to 31 December 2020.

HARROW BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Retirement benefit schemes

(Continued)

In addition, the Baptist Union of Great Britain agreed to contribute a lump sum of £0.5m by 31 December 2020. The Recovery Plan dated 30 September 2020 envisaged deficiency contributions continuing until 30 June 2026.

The key financial assumptions underlying the valuation were as follows:

Type of assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (CPI plus 0.75% pa)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	2.70

On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and, following this transaction, the Scheme no longer has a shortfall.

An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022. These contributions are payable under the recovery plan until June 2026. The outstanding deficiency contributions due under the Recovery Plan are not considered material and therefore have not been included in the balance sheet. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the Church is £8,153 (2022 £12,117).

HARROW BAPTIST CHURCH

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

23 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Christmas Fund	189	-	-	-	189
Evening Collection	1,711	-	-	-	1,711
Reserves and Legacies	17,057	-	-	-	17,057
Maintenance Fund	30	-	-	-	30
Others	24	-	-	-	24
	<u>19,011</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,011</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	At 31 December 2022
	£	£	£	£	£
	19,271	198	(537)	79	19,011
	<u>19,271</u>	<u>198</u>	<u>(537)</u>	<u>79</u>	<u>19,011</u>

24 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
	£	£	£	£
	-	-	-	-
Embrace Middle East	1,951	-	-	1,951
Baptist World Mission (BMS)	103	-	-	103
St Lukes General	210	-	-	210
Coffee Morning	-	2,007	(2,007)	-
Other Institutions	848	1,218	(993)	1,073
Warm Hub	-	2,194	(2,194)	-
	<u>3,112</u>	<u>5,419</u>	<u>(5,194)</u>	<u>3,337</u>

HARROW BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

24 Restricted funds

(Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
	-	-	-	1
Embrace Middle East	1,411	540	-	1,951
Baptist World Mission (BMS)	77	576	(551)	102
Baptist Union Home Mission	16	87	(103)	-
St Lukes General	210	-	-	210
Coffee Morning	499	2,001	(2,500)	-
Ukraine Appeal	-	5,115	(5,115)	-
Other Institutions	78	770	-	848
	<u>2,291</u>	<u>9,090</u>	<u>8,269</u>	<u>3,112</u>

25 Analysis of net assets between funds

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 December 2023:				
Tangible assets	1,928,127	-	-	1,928,127
Investments	616,613	-	-	616,613
Current assets/(liabilities)	540,001	19,011	3,337	562,349
Long term liabilities	(10,000)	-	-	(10,000)
	<u>3,074,741</u>	<u>19,011</u>	<u>3,337</u>	<u>3,097,089</u>

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
At 31 December 2022:				
Tangible assets	1,934,513	-	-	1,934,513
Investments	608,958	-	-	608,958
Current assets/(liabilities)	550,031	19,011	3,112	572,154
Long term liabilities	(10,000)	-	-	(10,000)
	<u>3,083,502</u>	<u>19,011</u>	<u>3,112</u>	<u>3,105,625</u>

26 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).