

Charity Registration number: 1130585



WHETSTONE BAPTIST CHURCH

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022**

**THE ROWLEYS PARTNERSHIP LIMITED
CHARTERED ACCOUNTANTS
CHARNWOOD HOUSE
HARCOURT WAY
MERIDIAN BUSINESS PARK
LEICESTER
LE19 1WP**

WHETSTONE BAPTIST CHURCH

CHARITY INFORMATION

Charity Name and Number	Whetstone Baptist Church WBC (working name) Registered charity number 1130585	
Trustees	Rev P M Robinson (Senior Minister) Revd N Swanson (Associate Minister) Mr S Clay (Minister-in-training) Mrs S Bywater (Outgoing Secretary) - resigned 26/04/22 Mr L W Bagley (Outgoing Treasurer) - resigned 26/04/22 Mr T Owen - resigned 26/04/22 Mr P Ndabananiye - appointed Chair of trustees/Church Secretary 26/04/22 Mr J W Denney - resigned 25/04/23 Mr M Smith - resigned 25/04/23 Mr J Kyte Mrs H Ward Miss S Hill	Mrs E Lander - resigned 25/04/23 Mr S Mould Mr P Smith - (Incoming Treasurer) - appointed 26/04/22 Mr J Adams - appointed 26/04/22, resigned 18/09/23 Mrs T Cosgrove - appointed 26/04/22 Mr S Howard - appointed 26/04/22 Mrs D Knipe - appointed 26/04/22 Mr S Wheeler - appointed 26/04/22 Mrs A Howard - appointed 25/04/23
Principal Address	Whetstone Baptist Church Springwell, Dog and Gun Lane Whetstone Leicestershire LE8 6LJ	
Auditors	The Rowleys Partnership Limited Statutory Auditors Chartered Accountants Charnwood House Harcourt Way Meridian Business Park Leicester Leicestershire LE19 1WP	
Bankers	Santander UK Plc Bootle Merseyside L30 4GB	
Property Trustees	The East Midlands Baptist Trust Company Limited Baptist House 129 Broadway Didcot Oxfordshire OX11 8RT	

WHETSTONE BAPTIST CHURCH
ACCOUNTS FOR THE YEAR ENDED
31 DECEMBER 2022

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WHETSTONE BAPTIST CHURCH

ANNUAL REPORT FOR 2022

The Trustees present their report with the financial statements of the charity for the year ended 31 December 2022. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The financial statements have been prepared in accordance with the accounting policies set out in notes 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 to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Structure and Charitable Objectives

The Charity is governed by an Approved Governing document ("The Constitution" and working practices addendum) 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.

The Church occupies premises which are held by the East Midlands Baptist Trust Company Ltd on trusts which are entirely compatible with the above object.

Charity Registration

Whetstone Baptist Church registered as a charity in its own right on 16 July 2009, previously being an excepted charity. On the 1st January 2010 the reserves of the excepted charity were effectively transferred to this charity. Constitution adopted on 3 June 2009 was amended on 20 March 2013.

Organisational Structure and Decision making processes

Members of the Church are accepted in accordance with the Constitution which requires them to publicly profess their faith in Jesus Christ. The members' meeting takes place six times or more per year and has responsibility for the overall policy of the church. The Church is overseen by the Church Leadership Team (CLT). In accordance with the Constitution, the members appoint the CLT, who together with the Ministers, Church Secretary and Treasurer or equivalents (who are also appointed by the Members), and collectively known as the Leadership, are the charity's Trustees. They are responsible for the day to day running of the Church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Newly appointed trustees are provided with information relevant to their role produced by the Baptist Union of Great Britain and Ireland (BUGBI) and the Charity Commission.

Pay and remuneration for staff is agreed by the Trustees on the recommendation of a Finance Group.

Relevant matters may be submitted to the Church meeting by the Trustees for guidance, or may be raised by members in the Church meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at a Church meeting by appropriate majorities, the Church seeks to work by consensus wherever possible.

WHETSTONE BAPTIST CHURCH

ANNUAL REPORT FOR 2022

Relationships with other churches and charities

The Church is part of the Baptist Union of Great Britain and Ireland (BUGBI) and a member church of the East Midlands Baptist Association. The Church supports the work of BUGBI through its Home Mission Fund and that of the BMS World Mission. The Church supports a number of other national charities including Tearfund, Christians Against Poverty (CAP) and Scripture Union as well as a number of smaller charities. Giving to these charities is reviewed annually by the Trustees and Church meeting.

The Church participates in Churches Together in Whetstone.

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.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. The Church seeks to be a friendly and welcoming community and anybody is free to attend any of these services. There are two services each Sunday; the 10am service is popular for all ages and features engaging contemporary music, relevant biblical teaching and age-appropriate provision for babies, children and youth groups. The 5pm service gives an opportunity for deeper exploration of the Bible and often has an interactive seminar style to the study. This service often has Christians visit the Church from other nearby villages that don't have a Sunday evening service of their own. A weekly email bulletin, posted newsletter and meeting in small groups helps keep the church family informed and connected. The Church Leadership team also call regular members' meetings through the year to bring the membership up to date on developments of the Church's activities, discuss and vote on important topics affecting the Church community and fulfil requirements of the Church Constitution.

The Church runs a popular pre-school as part of its outreach ministries to the community. The pre-school moved over with the Church from 2 King Street and reopened as Springwell Pre-school from January 2022 offering sessions for five mornings and five afternoons per week. The pre-school has a high ratio of well-qualified staff and the pre-school leader is supported in the day-to-day management by a pre-school committee which involves at least one of the Church Trustees.

The Church continued to donate grocery items to a local foodbank and collect hampers of essential items to help resource the Dawn Centre Shelter for the homeless run by Leicester City Council. The Church also encouraged its members to serve as volunteers and take part in the various outreach ministries such as Seedlings Stay and Play Toddler Group, Afternoon Tea for the Elderly, Springwell Children's Choir.

The Church also has a committee dedicated to take part in or host community events during key times of the year. There were events during Easter, the Jubilee weekend, Remembrance Day and Christmas.

All these activities are done with the purpose of assisting the community and demonstrating the love of Jesus Christ. There is also a prayer request page on the Church website for anyone wanting to be prayed for by the dedicated prayer team.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service. In response to GDPR, data protection and sharing of information is managed by a Trustee as our data protection officer.

WHETSTONE BAPTIST CHURCH

ANNUAL REPORT FOR 2022

Objectives and Activities - continued

The Church continued to progress through phases of construction and refurbishing of the new Church building at the south end of Whetstone village so that it was available to be used both as a place of worship and a community facility for outside groups to hire. The Church has established a Limited Company, WBC Design Co Ltd (08509454) to act as a vehicle to manage the construction. During 2022, a phase of construction enabled us to develop the grounds such as plant a community garden to help with outdoor memorial services. Following the official opening of the Springwell building in December 2021, the building quickly became the home of Whetstone Baptist Church as we held our first Easter services, conducted our first marriage in July and also ran a Christmas Fayre seeing the building occupied by up to 1,000 visitors over the day. Plans were also made to prepare our previous Church building on 2 King Street and its land for sale to an appropriate buyer at a competitive price. The Church building, associated buildings and land was Under Offer for the second half of 2022 and sold once funds were in place for the buyer to purchase in January 2023.

Public Benefit

The Church has read the Charity Commission guidance on public benefit, and is satisfied that the activities outlined above clearly demonstrate that the Charity is providing a benefit to the public.

Achievements and Performance

The Church employs key individuals to help provide vision, care and their expertise through their passion for the Christian faith, guidance and supportive relationships. Rev Phil Robinson is our Senior Pastor and serves with our Associate Minister, Rev Nick Swanson and Simon Clay our Minister-in-Training. Simon was accepted in September 2021 to have Whetstone Baptist Church as his training placement while he completes his three-year theological degree.

The Church had a busy and productive 2022, seeing services well attended, many children dedicated, many people exploring faith and committing to follow Jesus. As well as seeing several baptisms, a number of people transferred, renewed or applied for becoming members of the Church.

Throughout the year there were over 20 home groups operating for midweek bible study and fellowship. A couple of these started during Covid, with people who had never been to the church.

In addition to activities formally linked to the Church, members also served as volunteers in other local charities and organisations, including parish councils, governors for local primary schools and food distribution charities in the area.

The Future

The Church will continue to strengthen existing ministries and develop new ministries in the community as we settle into our new building.

Financial Review

The Church continues to raise the funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year with respect to the regular ministries.

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 aims and 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 nevertheless contribute substantially to the achievement of the Church's objectives.

WHETSTONE BAPTIST CHURCH

ANNUAL REPORT FOR 2022

Financial Review - continued

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements.

The Trustees have established a Reserves Policy, and are satisfied that they have sufficient reserves at the Balance Sheet date, together with ongoing income anticipated, to enable the Church to function effectively in the coming year.

The Trustees have made an assessment of the major risks facing the Church, and are satisfied that there are policies in place to minimise these risks.

Reserves policy

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements.

The Trustees have established a Reserves Policy that allows the Church to manage any financial risk and short-term income volatility to ensure that financial commitments can be met as they fall due. This includes covering ongoing expense on the building, running costs, staffing costs for our ministers, admin team and pre-school, and the costs for servicing our ministries. The Trustees agree to hold minimum reserves equivalent to 3 months' staff cost and if the balance is less to agree action to bring reserves back to the minimum level. The Trustees will regularly review the Policy to ensure Reserves are at an adequate level to meet the Church's commitments and fulfil its principal objective set out above.

Risk Management

The Trustees have made an assessment of the major risks facing the Church, and are satisfied that there are policies in place to minimise these risks.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP 2019 (FRS102).
- Make judgement and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

WHETSTONE BAPTIST CHURCH

ANNUAL REPORT FOR 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 9 October 2023 and signed on its behalf by:



signed on 10/10/2023, 13:19:19 BST

Mr P Ndabananiye

Chair of Trustees

Date:

10/10/2023

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
WHETSTONE BAPTIST CHURCH
FOR THE YEAR ENDED 31 DECEMBER 2022**

Opinion

We have audited the financial statements of Whetstone Baptist Church (the 'Charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
WHETSTONE BAPTIST CHURCH
FOR THE YEAR ENDED 31 DECEMBER 2022**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are considered capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting frameworks (UK Generally Accepted Accounting Practice, the Charities Act 2011) and the relevant tax compliance regulations in the jurisdiction in which the Charity operates.
- We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud;
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur;
- Our testing considered unusual or unexpected journal entries on a sample basis;
- We evaluated the assumptions and judgements used by management within significant accounting estimates and assessing if these indicate evidence of management bias;

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
WHETSTONE BAPTIST CHURCH
FOR THE YEAR ENDED 31 DECEMBER 2022**

Auditor's responsibilities for the audit of the financial statements - continued

- We tested significant transactions, in particular the evaluation of the rationale for any which appear unusual or outside the Charity's normal course of business;
- We assessed the appropriateness of the collective competence and capabilities of the engagement team by understanding the practical experience with audit engagements of a similar nature and complexity, plus ensuring the team had appropriate and relevant training of the financial reporting framework and the relevant tax compliance regulations specific to the entity;
- We reviewed the financial statements and tested the disclosures against supporting documentation;
- We communicated relevant matters to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.
- We reviewed the financial statements and tested the disclosures against supporting documentation;

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

The Rowleys Partnership Ltd

signed on 10/10/2023, 16:56:26 BST

The Rowleys Partnership Limited

Statutory Auditors

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Charnwood House

Harcourt Way

Meridian Business Park

Leicester

LE19 1WP

Date: 10/10/2023

WHETSTONE BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTAL 2022	TOTAL 2021
Income from:					
Donations and grants	2	231,116	214,279	445,395	553,098
Charitable activities					
Incoming resources from charitable activities	2	132,296	-	132,296	120,756
Investment income - bank interest		-	10	10	359
Total income		<u>363,412</u>	<u>214,289</u>	<u>577,701</u>	<u>674,213</u>
Expenditure on:					
Charitable activities	3				
Grants payable		-	18,692	18,692	22,075
Cost of activities		427,572	168,023	595,595	332,259
Expenditure on charitable activities		17,878	-	17,878	14,808
Total expenditure		<u>445,450</u>	<u>186,715</u>	<u>632,165</u>	<u>369,142</u>
Net income/(expenditure)		(82,038)	27,574	(54,464)	305,071
Transfers between funds	12	(23,322)	23,322	-	-
Net movement in funds		<u>(105,360)</u>	<u>50,896</u>	<u>(54,464)</u>	<u>305,071</u>
Reconciliation of funds					
Total funds brought forward		648,745	3,517,803	4,166,548	3,861,477
Total funds carried forward at 31 December 2022		<u>543,385</u>	<u>3,568,699</u>	<u>4,112,084</u>	<u>4,166,548</u>

The annexed notes form part of these financial statements.

All income and expenditure derive from continuing activities.

WHETSTONE BAPTIST CHURCH

BALANCE SHEET
AS AT
31 DECEMBER 2022

		2022		2021	
	Note	£	£	£	£
Fixed Assets					
Tangible assets	7		5,597,073		5,463,785
			<hr/>		<hr/>
			5,597,073		5,463,785
Current Assets					
Debtors	8	42,651		81,737	
Cash at bank and in hand		83,088		275,056	
		<hr/>		<hr/>	
		125,739		356,793	
Current Liabilities					
Creditors: amounts falling due within one year	9	(910,088)		(337,643)	
		<hr/>		<hr/>	
			(784,349)		19,150
Total assets less current liabilities			<hr/>		<hr/>
			4,812,724		5,482,935
Creditors: amounts falling due after more than one year	10		(700,640)		(1,316,387)
			<hr/>		<hr/>
Net Assets			<hr/>		<hr/>
			4,112,084		4,166,548
Charity Funds					
Restricted funds	12		3,568,699		3,517,803
Unrestricted funds	12		543,385		648,745
			<hr/>		<hr/>
Total charity funds			<hr/>		<hr/>
			4,112,084		4,166,548

The financial statements were approved by the Board of Trustees and authorised for issue on 9 October 2023 and were signed on its behalf by:



signed on 10/10/2023, 13:19:19 BST

Mr P Ndabananiye

Chair of Trustees

Date: 10/10/2023

The annexed notes form part of the Financial Statements

WHETSTONE BAPTIST CHURCH

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
31 DECEMBER 2022**

	Note	2022 £	2021 £
Cash flow from operating activities	As below	220,801	661,511
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(283,837)	(1,804,891)
Interest received		10	359
Net cash flow from investing activities		<u>(283,827)</u>	<u>(1,804,532)</u>
Cash flow from financing activities			
Receipts from issue of new long term loans		106,000	852,250
Repayments of long term loans		(180,763)	(190,734)
Interest paid		(54,179)	(25,108)
Net cash flow from financing activities		<u>(128,942)</u>	<u>636,408</u>
Net decrease in cash and cash equivalents		(191,968)	(506,613)
Cash and cash equivalents at 1 January 2022		275,056	781,669
Cash and cash equivalents at 31 December 2022		<u><u>83,088</u></u>	<u><u>275,056</u></u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		83,088	275,056
Cash and cash equivalents at 31 December 2022		<u><u>83,088</u></u>	<u><u>275,056</u></u>
Reconciliation of net income to net cash flow from operating activities			
		2022 £	2021 £
Net income for year		(54,464)	305,071
Interest receivable		(10)	(359)
Interest payable		54,179	25,108
Depreciation of tangible fixed assets		150,549	23,175
Decrease in debtors		39,086	194,177
Increase in creditors		31,461	114,339
Net cash flow from operating activities		<u><u>220,801</u></u>	<u><u>661,511</u></u>

WHETSTONE BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 General information and basis of preparation of financial statements

Whetstone Baptist Church is an unincorporated charity registered in England and Wales. The address of the Charity is given in the charity information page of these financial statements.

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Fund Accounting

Unrestricted general funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

1.3 Income

All incoming resources are included in the SoFA when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met.

1.4 Restricted funds

Restricted funds comprise of offerings given for specific purposes. Where gifts relate to capital items acquired or concern building issues, an appropriate transfer is made between restricted and unrestricted funds.

WHETSTONE BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of obligation can be measured reliably. Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants payable are accounted for when they are paid or become legally enforceable.

1.6 Taxation

The Charity is exempt from tax on its charitable activities.

1.7 Tangible fixed assets and depreciation

All tangible assets costing over £1,000 are capitalised and included at cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Furniture, Fixtures and Fittings	20% on cost
PA Music and Electronic equipment	33.3% on cost
Freehold buildings	3% on cost
Property under construction	Nil
Land	Nil

1.8 Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transition price. Any losses arising from impairment are recognised in expenditure.

1.9 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash on deposit.

1.10 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with level of reserves for the Charity to continue as a going concern.

WHETSTONE BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Incoming Resources	Unrestricted fund £	Restricted fund £	Total 2022 £	Unrestricted fund £	Restricted fund £	Total 2021 £
General and specific offerings	188,459	4,522	192,981	186,608	3,544	190,152
Building Fund	-	179,678	179,678	-	279,653	279,653
Reception desk	-	3,020	3,020	-	-	-
Memorial garden	-	8,950	8,950	-	-	-
Manse Building Fund	-	5,070	5,070	-	5,819	5,819
Gift Aid	23,146	13,039	36,185	50,017	23,106	73,123
Room hire	4,718	-	4,718	-	-	-
Rent - 4 Knightsbridge Road	14,793	-	14,793	4,351	-	4,351
	<u>231,116</u>	<u>214,279</u>	<u>445,395</u>	<u>240,976</u>	<u>312,122</u>	<u>553,098</u>

Incoming resources from charitable activities:

Pre-school	132,296	-	132,296	120,756	-	120,756
	<u>132,296</u>	<u>-</u>	<u>132,296</u>	<u>120,756</u>	<u>-</u>	<u>120,756</u>

3. Charitable expenditure	Unrestricted fund £	Restricted fund £	Total 2022 £	Unrestricted fund £	Restricted fund £	Total 2021 £
Gifts payable in furtherance of the charity's objects:						
Specific gifts	-	18,692	18,692	-	22,075	22,075
	<u>-</u>	<u>18,692</u>	<u>18,692</u>	<u>-</u>	<u>22,075</u>	<u>22,075</u>

The gifts made during the year includes £17,778 (2021: £17,000) to EMBA (East Midlands Baptist Association).

Expenditure on charitable activities:

Accounts preparation fee	-	-	-	3,000	-	3,000
Audit fee	11,350	-	11,350	7,140	-	7,140
Legal and professional fees	4,419	-	4,419	2,025	-	2,025
Payroll admin fee	1,512	-	1,512	1,500	-	1,500
Bank Charges	597	-	597	220	46	266
Agents fees	-	-	-	330	-	330
Induction fees	-	-	-	547	-	547
	<u>17,878</u>	<u>-</u>	<u>17,878</u>	<u>14,762</u>	<u>46</u>	<u>14,808</u>

WHETSTONE BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Charitable expenditure (continued)	Unrestricted fund £	Restricted fund £	Total 2022 £	Unrestricted fund £	Restricted fund £	Total 2021 £
Cost of activities in furtherance of the charity's objects:						
Ministry stipends and Expenses	121,449	-	121,449	109,150	-	109,150
Office staff salaries and National Insurance	31,849	-	31,849	31,441	-	31,441
Pre-school Salaries and National Insurance	120,680	-	120,680	88,707	-	88,707
Pre-school Expenses	10,133	-	10,133	4,826	-	4,826
Office and Pre-school Pension	1,727	-	1,727	-	-	-
Building Repairs and Maintenance	3,867	-	3,867	508	-	508
Cleaning	9,896	-	9,896	11,231	-	11,231
Light and Heat	40,730	-	40,730	3,757	-	3,757
Office Administration	1,609	-	1,609	3,913	-	3,913
Catering	2,127	-	2,127	-	-	-
Telephone	1,442	-	1,442	2,482	-	2,482
Sunday Club Expenses	-	-	-	119	-	119
Peak Pilgrimage	480	-	480	-	-	-
Courses and Conferences	190	-	190	520	-	520
Church Council Tax and Water Rates	5,343	-	5,343	4,777	-	4,777
Insurance	12,325	-	12,325	4,197	-	4,197
Affiliation Fees	1,230	-	1,230	1,230	-	1,230
Printing	7,361	-	7,361	4,660	-	4,660
Youth Work	1,247	-	1,247	239	-	239
Music and Worship	2,140	-	2,140	2,814	-	2,814
Ministry and Publications Expenses	811	-	811	31	-	31
Preaching Fees	290	-	290	-	-	-
IT	3,058	-	3,058	1,953	-	1,953
Small Group and Leaders Support	553	-	553	131	-	131
Misc Expenses	1,212	-	1,212	517	-	517
Depreciation	36,705	113,844	150,549	15,606	7,569	23,175
C.D. Ministry	(20)	-	(20)	49	-	49
DBS Checks	78	-	78	40	-	40
Big Bang Club	-	-	-	19	-	19
Building Fund Loan interest	-	51,955	51,955	-	25,108	25,108
Manse Loan Interest	-	2,224	2,224	-	1,774	1,774
Training Costs	7,222	-	7,222	2,850	-	2,850
Community Outreach	1,821	-	1,821	339	-	339
Fabric	-	-	-	1,474	-	1,474
Christmas Hampers	17	-	17	228	-	228
	<u>427,572</u>	<u>168,023</u>	<u>595,595</u>	<u>297,808</u>	<u>34,451</u>	<u>332,259</u>

WHETSTONE BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Staff and ministry support costs (Staff costs and numbers included in note 3 & 5)

	2022	2021
	£	£
Salaries and wages	235,607	184,934
Social security	8,301	7,905
Pension costs	15,753	19,430
	<u>259,661</u>	<u>212,269</u>
	Number	Number
Management and administration	16	13

There are no employees who received total emoluments (excluding employer pension costs) of more than £60,000.

5. Ministry support and expenses

The following received ministry support and ministry expenses as detailed below:

	2022	2021
	£	£
Revd M Clay - Pension (former Senior Pastor)	5,727	6,656
Mr S M Clay - Stipend (current Minister-in-Training)	16,403	2,000
Mr S M Clay - Expenses	2,206	1,076
Revd N Swanson - Stipend and Employers National Insurance	34,120	33,636
Revd N Swanson - Pension	3,815	5,176
Ministers' Manse Leaseback	2,093	2,093
Revd N Swanson - Ministers' Expenses	4,720	6,105
Revd P M Robinson - Stipend and Employers National Insurance	41,206	40,602
Revd P M Robinson - Pension	4,485	6,050
Revd P M Robinson - Ministers' Expenses	395	-
Revd P M Robinson - Manse Allowance	6,279	5,756
	<u>121,449</u>	<u>109,150</u>

6. Trustees' remuneration and expenses

None of the Trustees received any remuneration from the Charity in relation to their role as a Trustee. The ministers who are also Trustees received remuneration and expenses as noted in Note 5 of these accounts, in accordance with the Charity's Constitution.

WHETSTONE BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

7. Tangible fixed assets

	Freehold Land & Property £	Property under construction £	Furniture Fixtures & Fittings £	P A and Musical Equipment £	Total £
Cost					
Brought Forward	746,861	4,880,957	35,000	19,745	5,682,563
Additions at Cost	-	203,799	35,481	44,557	283,837
Transfers	3,966,076	(3,966,076)	-	-	-
At 31 December 2022	<u>4,712,937</u>	<u>1,118,680</u>	<u>70,481</u>	<u>64,302</u>	<u>5,966,400</u>
Depreciation					
Brought Forward	169,707	-	35,000	14,071	218,778
Charge for the year	128,544	-	6,213	15,792	150,549
At 31 December 2022	<u>298,251</u>	<u>-</u>	<u>41,213</u>	<u>29,863</u>	<u>369,327</u>
Net book value					
At 31 December 2022	<u>4,414,686</u>	<u>1,118,680</u>	<u>29,268</u>	<u>34,439</u>	<u>5,597,073</u>
At 31 December 2021	<u>577,154</u>	<u>4,880,957</u>	<u>-</u>	<u>5,674</u>	<u>5,463,785</u>

The title of freehold land and the property under construction are held by East Midland Baptist Trust Company Limited of Baptist House, P O Box 44, 129 Broadway, Didcot, Oxon OX11 8RT, as custodians for the Charity, also see note 10.

Property under construction includes land amounting to £423,592 (2021: £423,592) which is not depreciated. The transfer to freehold land and building represents the cost for the percentage of the building in use. This is depreciated at 3%.

8. Debtors: amounts falling due within one year

	2022 £	2021 £
Gift aid receivable	38,686	69,715
Prepayments	3,965	12,022
	<u>42,651</u>	<u>81,737</u>

9. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	7,147	1,458
Accruals & deferred income	59,545	35,513
Social security & other taxes	7,726	3,473
Other creditors - WBC Design Co Ltd	103,108	105,621
Building fund & other loans:		
Baptist Union loans for building of church	482,002	
Other loans for building of church	<u>244,500</u>	<u>178,336</u>
Manse Loans:		
Baptist Union loans for purchase of Manse	6,060	
Other loans for purchase of Manse	<u>-</u>	<u>13,242</u>
	<u>910,088</u>	<u>337,643</u>

WHETSTONE BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

10. Creditors: amounts falling due after more than one year		2022	2021
	£	£	£
Building fund & other loans:			
Baptist Union loans for building of church	467,719		
Other loans for building of church	159,750	627,469	1,243,772
Manse Loans:			
Baptist Union loans for purchase of Manse	41,171		
Other loans for purchase of Manse	32,000	73,171	72,615
		700,640	1,316,387

Security and borrowing costs on Building Fund

The Baptist Union Corporation (BU) has registered a restriction against the Land Registry Title for the Church property to be in place for the duration of the loan. The Restriction will be discharged only when the loan is repaid.

Loans taken from Baptist Union as at 31 December 2022 was £949,721 (2021: £1,009,858) and the interest charged in the year was £51,955 (2021: £25,108). The rate of interest to be charged on the borrowing increased from 3.5% to 6.5% in 2022 and from 5.5% to 8.5% on the bridging loan.

The Church has also borrowed money from the Trustees and members of the Church. Amounts owed to Trustees and members was £404,250 (2021: £412,250).

Manse Loan - 4 Knightsbridge Road

In order that the Church could purchase property for the Manse, they had to borrow money from The Baptist Union Corporation (BU) for £73,000, borrowed money from the Trustees, Church members and used donations from the accumulated general reserves.

The Manse Fund loan balance as at 31 December 2022 was £47,231 with BU (2021: £53,858). Amounts owed to Trustees and members was £32,000 (2021: £32,000).

11. Leasing Agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	3,533	3,533
Between one and two years	3,533	3,533
Between two and five years	7,235	10,768
	14,301	17,834

WHETSTONE BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

12. Movements in funds

	Funds B/fwd 01.01.2022 £	Voluntary income £	Charitable expenditure £	Transfers £	Funds C/fwd 31.12.2022 £
Unrestricted Funds					
General fund	603,745	363,412	445,450	(23,322)	498,385
Designated Fund - Simon Clay's living expenses	45,000	-	-	-	45,000
Restricted Funds					
EMBA	-	-	17,778	17,778	-
Other charitable donations	-	-	421	421	-
Parish Nursing	744	-	-	-	744
Pearl Of Africa Choir	20	-	-	-	20
Growing leaders - joint church	261	-	-	-	261
Communion fund & other gifts	1,704	4,532	493	-	5,743
Manse Building Fund	-	5,070	9,793	5,123	400
Memorial garden	-	8,950	-	-	8,950
Reception desk	-	3,020	-	-	3,020
Building Fund	3,515,074	192,717	158,230	-	3,549,561
	<u>4,166,548</u>	<u>577,701</u>	<u>632,165</u>	<u>-</u>	<u>4,112,084</u>

Comparatives for movements in funds

	Funds B/fwd 01.01.2021 £	Voluntary income £	Charitable expenditure £	Transfers £	Funds C/fwd 31.12.2021 £
Unrestricted Funds					
General fund	621,638	361,732	312,570	(67,055)	603,745
Designated Fund - Simon Clay's living expenses	-	-	-	45,000	45,000
Restricted Funds					
EMBA	-	-	17,000	17,000	-
Other charitable donations	-	-	-	2,824	2,824
Parish Nursing	744	-	2,824	-	(2,080)
Pearl Of Africa Choir	20	-	-	-	20
Growing leaders - joint church	261	-	-	-	261
Communion fund & other gifts	1,704	3,544	2,251	(1,293)	1,704
Manse Building Fund	-	5,819	9,343	3,524	-
Building Fund	3,237,110	303,118	25,154	-	3,515,074
	<u>3,861,477</u>	<u>674,213</u>	<u>369,142</u>	<u>-</u>	<u>4,166,548</u>

- 1 EMBA (East Midlands Baptist Association) - The fund is to set up to provide annual contribution to help the operations of the regional associations that serves churches in the East Midlands.
- 2 Other charitable donations - donations specifically received as well as donations made by the Church as part of our charitable expenditure to the society.
- 3 Parish Nursing - previously set up to enable to run a parish nurse looking after the overall well being of the church and community.
- 4 Pearl Of Africa Choir - donations specifically received as well as donations made by the church as part of our charitable expenditure to the choir.
- 5 Growing leaders - This is an in-house leadership development programme that encourages the mentoring and support of emerging Christian leaders jointly with another Church.
- 6 Communion Fund & other gifts - This is a fund set up to help those in pastoral need. It enables the urgent support and help of members of the congregation or those in the local community in practical and emotional ways and is used discreetly by the ministerial team. Other gifts are anonymous donations or donations allocated for specific reasons by the donor for allocating to benefit the Church in it's objectives.
- 7 Manse building fund - donations specifically received for the purchase of a property for the senior pastor. The property was purchased in 2019 and the funds have been reallocated.
- 8 Building fund - to build a new, bigger church building on the site purchased in 2014.
- 9 Memorial garden - to build a quiet area for reflection to remember loved ones.

WHETSTONE BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. Analysis of net assets between funds

Funds balances at 31 December 2022 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	392,008	5,205,065	5,597,073
Net current assets	151,377	(1,636,366)	(1,484,989)
	<u>543,385</u>	<u>3,568,699</u>	<u>4,112,084</u>

14. Related party disclosures

During the year, £70,000 (2021: £89,000) of loans were received without conditions from the Trustees among which £67,000 (2021: £20,000) was repaid in the year. The amounts outstanding at the year end was £106,000 (2021: £69,000). The total amount of donations received without conditions from Trustees was £35,818 in the year.

WBC Design Co. Ltd is a company limited by guarantee without share capital and is controlled by the Trustees of the Charity. This company is undertaking the building work for the property under construction, as shown in Note 7. Six of the Charity's Trustees held a directorship of the company during the period, these being Revd P M Robinson, Revd P Bryan, Mr J W Denney, Mr M J Smith, Mrs E J Lander and Mr S W Mould. All the transactions between WBC Design Co. Ltd and the Church is on an arm's length basis. There were no transactions with the directors of the company or the Trustees of the Charity during the year to 31 December 2022 (2021: £Nil). At the year end there was an amount owed to WBC Design Co Ltd of £103,108, included in current liabilities. (2021: £105,621).

15. Pension

The Church is a participating employer of the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The assets of the Scheme are held separately from those of the Employer and the other participating employers.

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income.

From January 2012, pension provision is being 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, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for scheme members if 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 Limited.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the scheme were a defined contribution scheme. The Ministers are eligible to join the Scheme.

Actuarial Valuation as at 31 December 2019

A formal valuation of the DB Plan as at 31 December 2019 was carried out by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Church and the other participating employers in the DB Plan are collectively responsible for funding this deficit.

WHETSTONE BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

15. Pension - continued

The key financial assumptions underlying the valuations were as follows:

Type of assumption	% p.a.
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increase Adjustment (above CPI)	0.50
Pre-retirement assumed investment returns (gilt yield plus 1.75% p.a.)	2.95
Post-retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5% p.a.)	1.70
Minimum Pensionable Income Increases Adjustment (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
Pre April 2009	3.20
Post April 2009	2.50
Pension increases	
Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

Mortality is assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. for females with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the scheme will commence in 2023 to reflect the position as at December 2022.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026. These contributions were broadly based on each employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

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.

The Church has been advised that the cost for the Church to buyout their Pension Scheme liabilities at 20 June 2022 was approximately £35,300.

16. Auditors remuneration

The amount of £9,550 plus VAT for audit (2021: £2,500 plus VAT for accounts preparation and £5,950 plus VAT for audit) was paid in the year.