

CHATSWORTH BAPTIST CHURCH

Report and unaudited financial statements

For the year ended 30 September 2021

CHATSWORTH BAPTIST CHURCH

Financial statements for the year ended 30 September 2021

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CHATSWORTH BAPTIST CHURCH

Reference and administrative details

Status

Chatsworth Baptist Church (the "Church") was established in 1878 as an unincorporated association with its own Statement of belief and Church Rules. The Church registered with the Charity Commission on 19th August 2009, charity number 1131202, having adopted a new constitution on 5th July 2009 (the constitution was amended in 2021 to allow for meetings using electronic technology as well as in person). The Church continues to work in association with the Baptist Union of Great Britain.

Trustees (referred to as the "Deacons" hereafter)

Mr S Alghali
Mr B Baya
Mr I Bhoorasingh
Mrs K Dike-Oduah
Ms J Kasule
Mr P King
Mrs O Lawuyi
Rev R Marzetti
Mr T McClymont
Mrs P Pitter
Ms J Richards
Mrs K Spence
Mr W Sylvah

Operation address

Chatsworth Way
West Norwood
London
SE27 9HN

Independent examiner

Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Key Management Personnel

Mr C Rose (Youth and Children's Worker) is considered key management personnel in addition to the Deacons.

CHATSWORTH BAPTIST CHURCH

Minister's report for the year ended 30 September 2021

As with the previous year, we continued to provide a hybrid of in-church and online services, including Sunday worship and mid week prayer times.

Our members sought to provide care by door step visits, phone calls and shopping, praying and looking out for their neighbours and fellow members.

We sought to ensure good practice with our renters and users, whilst also providing a safe space for our members and the community to come and use our facilities. These include a local dance school, weight watchers, and various private hires.

Our building saw the opening of a new nursery and pre-school, Sowing & Growing, after our refurbishment works; and continues to be the home for a Spanish speaking congregation.

Due to the pandemic we were unable to host the homeless night shelter but we did provide much needed items to those in need. We raised funds for MacMillan cancer research and the local Foodbank by participating in an outside Christmas market.

We continue to support two members in their training for accreditation as Baptist ministers, work with young people on a regular basis, run a football team of mostly non-members in a Christian football league, regularly visit homes and hospitals where restrictions allow.



Richard Marzetti
Minister

Date: 14/2/22

CHATSWORTH BAPTIST CHURCH

Report of the Deacons for the year ended 30 September 2021

The Deacons present their report and the financial statements of Chatsworth Baptist Church for the year ended 30 September 2021, which have been prepared in accordance with the Charities Act 2011, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102).

Structure, Governance and Management

The Church's activities are supervised and managed by the Minister and Deacons, who are the trustees for charity law purposes. Deacons are chosen from among Church members by an election process laid down in the constitution. Induction training is held for all Deacons and other training courses are undertaken as necessary.

During this period the Church employed the Senior Pastor, an Administrative Assistant and a Youth and Children's Worker. Various part-time staff worked on caretaking duties and in various groups. Some of these staff were unable to work during part of the year and were placed on furlough.

The key management personnel of the Church as listed on page 1 are in charge of directing, controlling, running and operating the Church on a day to day basis. All Deacons give of their time freely and no Deacon received any remuneration in the year. Details of Deacons' expenses and related party transactions are disclosed in Note 19 to the financial statements. The pay of the minister and other senior staff is reviewed annually taking account of recommendations made by the Baptist Union of Great Britain.

Objectives and Activities

The mission of Chatsworth Baptist Church is "To know, love and serve Christ in the community." Its charitable purposes are set out in the constitution and include the advancement of the Christian religion and education.

A wide range of activities are undertaken in pursuance of these objectives. More details of activities are provided in the Minister's Report on page 2.

Financial review

The income and expenditure of the Church was affected significantly by the Coronavirus pandemic. This led to restrictions on the Church's operations, and in particular to a reduction in rental income, which was zero for large parts of the financial year. As noted above, several members of staff were furloughed for part of the financial year, and appropriate claims were made under the Coronavirus Job Retention Scheme. The Church continued to receive income from its members despite the pandemic. The combined effect of all these factors was that the Church continued to operate as a going concern throughout the financial year.

The Church continues to rely on large gifts from a small number of church members. There can be no assurance that, given the current economic conditions, these large gifts will recur or that giving from other Church members will be maintained at its current level.

The Church also received during the financial year a grant towards refurbishment and improvement of another part of the premises, principally to develop an area dedicated to youth work. Work on this project began towards the end of the financial year, following further fundraising activities directed primarily at church members.

Reserves policy

The Church seeks to retain reserves in the General Fund equal to approximately three months' expenditure. The policy is to increase these reserves over time with a target of one year's expenditure as well as to increase the balance of the Building Fund to cover planned and unexpected expenditure.

The General Fund reserves stood at a surplus of £217 at 30 September 2021 (2020: deficit of £32,390), which fell short of the target reserves. The Church intends to increase reserves as and when large gifts are received.

The Deacons are confident that the Church can continue to operate as a going concern, despite the effect of the Coronavirus pandemic on our finances. This confidence is based on the experience of operations over the period since March 2020.

CHATSWORTH BAPTIST CHURCH

Report of the Deacons for the year ended 30 September 2021

Buildings

We have a prominent site in West Norwood and a large suite of buildings there and at our two manse. Maintenance of these buildings, together with the cost of heating, lighting and other services, is a significant part of the church budget.

Our long term aim is to create a sustainable building which can serve the needs of the Church and the surrounding community for many years to come. Achievement of this aim depends on the availability of finance.

A Buildings Group continues to operate and is working on the future strategy for all our buildings, as well as on dealing with the many minor issues which come up all the time.

Public benefit

The Church's activities are considered regularly in the light of the guidance published by the Charity Commission on public benefit. The Deacons have regard to this guidance in exercising their powers and duties. Some examples of the public benefits flowing from the pursuit of the Church's aims and objectives are: the provision of regular services of public worship, providing pastoral care to those with whom the Church has contact, and providing facilities for children's, senior citizens' and other community activities.

Risk review

The Deacons review the risks of the operations of the Church regularly and take appropriate action where possible to mitigate those risks. The key risks which have been identified and key actions which have been taken are shown in the table below.

Key risk	Mitigating action
The Church is dependent on giving from members, in particular on regular large gifts from a small number of members.	Regular teaching on the importance of Christian giving; diversification of sources of income to include more rental income from buildings.
The Church works with children and vulnerable adults, leading to risks of inadequate safeguarding practices and possible abuse.	Employment of trained staff, adoption and regular renewal of Safeguarding Policy, training of key staff and volunteers and review at each meeting of the Deacons
The Church has buildings which are constantly in need of maintenance and renewal.	Long term programme of building work with a view to creating a sustainable building.
The Church is dependent on key staff such as the Minister and the Youth and Children's Worker.	The Deacons seek to follow best practice in employment of staff as recommended by the Baptist Union of Great Britain.
The Church is vulnerable to external pressures, such as changes in legislation which may be inconsistent with its aims or which may affect its financial viability.	Membership of key bodies such as the Baptist Union of Great Britain and the London Baptist Association which are able to influence legislation and guidelines at a national and local level.

Investment policy

The Church has no investments. Any surplus cash is invested in bank deposits or deposits with the London Baptist Property Board.

CHATSWORTH BAPTIST CHURCH

Report of the Deacons for the year ended 30 September 2021

Deacons' responsibilities in relation to the financial statements

The Deacons are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Deacons to prepare financial statements for each financial year. Under that law the Deacons have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the management committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the financial activities of the charity for that period. In preparing these financial statements, the Deacons are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation;

The Deacons are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

Approved by the Deacons on 14/02/2022 and signed on their behalf by:



P King
Church Secretary

CHATSWORTH BAPTIST CHURCH

Independent Examiner's Report to the Deacons of Chatsworth Baptist Church

I report on the financial statements of Chatsworth Baptist Church for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeds £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

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

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

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



Paul Newton FCA
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5 Robin Hood Lane
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Surrey
SM1 2SW

Date: 16 February 2022

CHATSWORTH BAPTIST CHURCH

Statement of financial activities for the year ended 30 September 2021

	Notes	Unrestricted Funds	Restricted Funds		2021	Unrestricted Funds	Restricted Funds		2020
		#1 £	#1 £	#2 £	£	#1 £	#1 £	#2 £	£
Income from:									
Donations and legacies	2	167,652	33,815	-	201,467	155,645	23,617	364	179,626
Other trading activities	3	58,994	-	-	58,994	50,589	-	35	50,624
Investments	4	3	-	-	3	3	-	138	141
Charitable activities	5	-	-	-	-	4,142	-	35,109	39,251
CJRS Grant		11,195	-	-	11,195	10,969	-	18,739	29,708
Total income		<u>237,844</u>	<u>33,815</u>	<u>-</u>	<u>271,659</u>	<u>221,348</u>	<u>23,617</u>	<u>54,385</u>	<u>299,350</u>
Expenditure on:									
Charitable activities	6	196,250	5,651	-	201,901	201,113	4,017	71,802	276,932
Total resources expended		<u>196,250</u>	<u>5,651</u>	<u>-</u>	<u>201,901</u>	<u>201,113</u>	<u>4,017</u>	<u>71,802</u>	<u>276,932</u>
Net income/(expenditure) for the year		41,594	28,164	-	69,758	20,235	19,600	(17,417)	22,418
Gross transfers between funds		-	-	-	-	63,669	(18,129)	(45,540)	-
Net movement in funds		41,594	28,164	-	69,758	83,904	1,471	(62,957)	22,418
Reconciliation of Funds									
Total funds brought forward		<u>2,881,527</u>	<u>2,928</u>	<u>-</u>	<u>2,884,455</u>	<u>2,797,623</u>	<u>1,457</u>	<u>62,957</u>	<u>2,862,037</u>
Total funds carried forward		<u><u>2,923,121</u></u>	<u><u>31,092</u></u>	<u><u>-</u></u>	<u><u>2,954,213</u></u>	<u><u>2,881,527</u></u>	<u><u>2,928</u></u>	<u><u>-</u></u>	<u><u>2,884,455</u></u>

#1 = Continuing activities

#2 = Discontinued operations relating to the Pre-School which closed on 31 August 2020.

CHATSWORTH BAPTIST CHURCH

Balance sheet at 30 September 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12		2,852,703		2,873,963
Current assets					
Debtors	13	23,835		31,243	
Cash at bank and in hand		100,149		16,067	
		123,984		47,310	
Creditors: amounts falling due within one year	14	(3,516)		(3,438)	
Net current assets			120,468		43,872
Provisions for liabilities and charges	20		(18,958)		(33,380)
Total assets less current liabilities			2,954,213		2,884,455
Funds					
Restricted funds	15		31,092		2,928
Unrestricted funds	16		2,923,121		2,881,527
Total funds carried forward	17		2,954,213		2,884,455

Approved by the Deacons on 14/02/2022

and signed on their behalf.

P King
Church Secretary

CHATSWORTH BAPTIST CHURCH

Statement of cash flows for the year ended 30 September 2021

	2021	2020
	£	£
Net cash provided by operating activities (see below)	89,222	12,956
Cash flows from investing activities		
Interest received	3	141
Payments on fixed asset additions	(5,143)	(135,423)
Net cash (used in) investing activities	(5,140)	(60,476)
Net cash inflow/(outflow)	84,082	(47,520)
Cash and cash equivalents at 1 October 2020	16,067	131,465
Cash and cash equivalents at 30 September 2021	100,149	83,945
Cash flows from operating activities		
Net income for the year	69,758	22,418
Interest included in investing activities	(3)	(141)
Depreciation	26,403	11,570
Defined benefit employer contributions paid	(3,225)	(3,158)
Movement in defined benefit employer deficit provision	(11,197)	293
Decrease/(increase) in debtors	7,408	(18,652)
Increase in creditors	78	626
Net cash provided by operating activities	89,222	12,956

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements for the year ended 30 September 2021

1 Accounting policies

Chatsworth Baptist Church is an unincorporated charity registered in England and Wales. The operation address is Chatsworth Way, West Norwood, London SE27 9HN.

a) *Basis of accounting*

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

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

b) *Going concern*

At the time of approving the financial statements, the Deacons have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Deacons continue to adopt the going concern basis of accounting in preparing the financial statements.

c) *Income*

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Where material assets are donated to the company for its use, these are capitalised at the estimated market value at the date of the gift and included under income.

Job Retention Scheme government grant income

JRS grant income is recognised in the period to which the underlying furloughed staff costs relate.

d) *Expenditure*

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Charitable expenditure includes all support costs in respect of the company's activities.

This comprises expenditure on compliance with statutory legal requirements and is included in charitable activities.

e) *Fund structure*

The funds held by the Church are either:

- *Unrestricted general funds* - these are funds which can be used in accordance with the Church's objects at the discretion of the Deacons.
- *Designated funds* - these are funds set aside by the Deacons out of unrestricted general funds for specific future purposes or projects.
- *Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the Church. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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Notes to the financial statements for the year ended 30 September 2021 (continued)

1 Accounting policies (continued)

f) *Tangible fixed assets and depreciation*

Tangible fixed assets are included in the balance sheet at cost or at market value at the date of the gift.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Freehold buildings	2%	on cost
Flat roofs	5%	on cost
Furniture, fixtures and fittings	10%	on cost
Office equipment	25%	on cost

The deacons consider that the properties have a residual value that renders any depreciation immaterial and accordingly no depreciation has been charged in these accounts.

The Church building and two residential properties (valued for insurance purposes at a combined £4.35m) and the Church site are under the custodian trusteeship of the London Baptist Property Board and the church is the beneficial owner.

g) *Debtors*

Other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

h) *Cash and cash equivalents*

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

i) *Creditors and provisions*

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount. Concessionary loans are included at historic cost.

j) *Financial instruments*

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

k) *Hire purchase and lease transactions*

Assets acquired under hire purchase agreements and finance leases are capitalised in the balance sheet and are depreciated in accordance with the company's normal policy. The outstanding liabilities under such agreements less interest not yet due are included in creditors and are also disclosed on the basis of when the liabilities are due within one year, between two and five years and after five years. Interest on such agreements is charged to the profit and loss account over the term of each agreement and represents a constant proportion of the balance of capital repayments outstanding.

l) *Pension costs*

The church pays contributions to the Baptist Ministers Pension Trust Limited which is a final salary defined benefit scheme. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the church. The scheme is therefore accounted for as a defined contribution scheme.

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements for the year ended 30 September 2021 (continued)

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
<i>Donations and legacies</i>				
Offerings	81,811	1,091	82,902	65,814
Other donations	43,259	27,673	70,932	87,308
Envelopes	2,730	-	2,730	2,935
Loose cash	3,774	-	3,774	5,067
Income tax recoverable	36,078	5,051	41,129	18,502
Total	<u>167,652</u>	<u>33,815</u>	<u>201,467</u>	<u>179,626</u>

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
<i>Church activities</i>				
Rent receivable	58,994	-	58,994	50,589
<i>Pre School activities</i>				
Fundraising events	-	-	-	35
Total	<u>58,994</u>	<u>-</u>	<u>58,994</u>	<u>50,624</u>

4 Income from investments

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
<i>Interest receivable</i>				
Interest receivable	3	-	3	3
Pre School interest receivable	-	-	-	138
Total	<u>3</u>	<u>-</u>	<u>3</u>	<u>141</u>

5 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
<i>Church</i>				
Youth and children's contributions	-	-	-	3,330
Small Groups and Events	-	-	-	812
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,142</u>
<i>Pre School</i>				
Pre School fees	-	-	-	35,109
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,251</u>

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements for the year ended 30 September 2021 (continued)

6 Expenditure on charitable activities

	Activities undertaken directly £	Governance costs (see note 8) £	Grant funding of activities (see note 7) £	2021 £	2020 £
Church					
General fund	178,457	3,000	14,793	196,250	201,113
Building fund	5,651	-	-	5,651	4,017
	184,108	3,000	14,793	201,901	205,130
Pre School					
Pre School	-	-	-	-	71,802
Total Charitable Activities	184,108	3,000	14,793	201,901	276,932

7 Grants payable

	2021 £	2020 £
<i>Paid to individuals</i>		
Missionaries	5,399	5,399
<i>Grant payable to institutions</i>		
Pioneers UK	5,394	5,394
World church baptist missionary society	2,000	-
World church home mission fund	2,000	-
Total (see note 6)	14,793	10,793

8 Governance costs

	2021 £	2020 £
<i>Direct costs</i>		
Independent examination fees (including VAT)	3,000	2,904

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements for the year ended 30 September 2021 (continued)

9 Employee information

	2021 £	2020 £
Staff costs		
Wages and salaries	94,106	158,975
Social security costs	2,312	8,073
Defined benefit employer pension contributions (see note 20)	3,188	3,178
Movement in defined benefit employer deficit provision (see note 20)	(11,197)	293
Defined contribution employer contributions (see note 20)	8,179	9,270
	96,588	179,789

The number employees on an average head count basis during the year was as follows:

	2021 Number	2020 Number
Full time	3	3
Part time	4	7
	7	10

There were no employees with emoluments above £60,000.

Key Management Personnel (including the Deacons) received remuneration of £57,340 (2020: £57,380) during the year.

Termination payments of £nil for pre-school staff are included within the wages and salaries cost above (2020: £11,894). These are recognised when legal agreement is reached.

10 Net income

This is stated after charging:

	2021 £	2020 £
Staff costs	96,588	179,789
Independent Examination Fee	3,000	2,904
Depreciation of owned assets	26,403	11,570

11 Taxation

The Church is exempt from tax on its charitable activities.

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements

for the year ended 30 September 2021 (continued)

12 Tangible fixed assets

	Freehold property £	Freehold improvements £	Office equipment £	Furniture & Fittings £	Total £
Cost:					
At 1 October 2020	2,734,394	830,663	75,894	105,591	3,746,542
Additions	-	-	3,477	1,666	5,143
Disposals	-	-	-	-	-
At 30 September 2021	2,734,394	830,663	79,371	107,257	3,751,685
Depreciation:					
At 1 October 2020	601,349	101,033	75,693	94,504	872,579
Provision for the year	-	23,717	671	2,015	26,403
Adjustments for disposals	-	-	-	-	-
At 30 September 2021	601,349	124,750	76,364	96,519	898,982
Net book value:					
At 30 September 2021	2,133,045	705,913	3,007	10,738	2,852,703
At 30 September 2020	2,133,045	729,630	201	11,087	2,873,963

The trustees have reviewed the remaining useful economic life and residual value of the freehold properties, with the result that no depreciation has been charged during the year on the unrestricted freehold property and improvements.

13 Debtors

	2021 £	2020 £
Other debtors	13,663	21,746
Prepaid expenses and accrued income	10,172	9,497
	23,835	31,243

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	3,516	3,438
	3,516	3,438

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements

for the year ended 30 September 2021 (continued)

15 Restricted funds

2021:

	Balance at 1 Oct 2020 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2021 £
Pastoral fund	163	-	-	-	163
Wates Foundation fund	1,294	-	-	-	1,294
Building fund	1,471	9,073	(5,651)	-	4,893
Youth Café	-	24,742	-	-	24,742
	<u>2,928</u>	<u>33,815</u>	<u>(5,651)</u>	<u>-</u>	<u>31,092</u>

2020:

	Balance at 1 Oct 2019 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2020 £
Pastoral fund	163	-	-	-	163
Wates Foundation fund	1,294	-	-	-	1,294
Pre School fund	62,957	54,385	(71,802)	(45,540)	-
Building fund	-	23,617	(4,017)	(18,129)	1,471
	<u>64,414</u>	<u>78,002</u>	<u>(75,819)</u>	<u>(63,669)</u>	<u>2,928</u>

- **Pastoral** – This fund was established to provide gifts and care for those in need in the church and community. It is funded by gifts taken up specifically for this purpose, any shortfall being made up by a transfer from the general fund.
- **Wates Foundation** – This fund is to support a “Language Partners” scheme to help some of the Spanish speaking congregation with their spoken English.
- **Pre School** – This fund relates to the activities carried out by the Pre School. The transfer relates to the use of the premises since 2017.
- **Building Fund** – Donations received to meet the costs of the renovation works to the Church buildings and equipment are held in this fund. The transfer relates to the expenditure on the property capitalised during the year within unrestricted funds.
- **Youth Café fund** – amounts received to fund the creation of a new Youth Café.

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements

for the year ended 30 September 2021 (continued)

16 Unrestricted funds

2021:

	Balance at 1 Oct 2020 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2021 £
General fund	(32,390)	237,844	(169,847)	(35,390)	217
Designated Funds					
General fixed asset fund	2,873,963	-	(26,403)	5,143	2,852,703
Building fund	42,714	-	-	27,487	70,201
Accompanied Groups	(2,760)	-	-	2,760	-
	<u>2,881,527</u>	<u>237,844</u>	<u>(196,250)</u>	<u>-</u>	<u>2,923,121</u>

2020:

	Balance at 1 Oct 2020 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2020 £
General fund	10,895	218,496	(186,473)	(75,308)	(32,390)
Designated Funds					
General fixed asset fund	2,743,944	-	(8,958)	138,977	2,873,963
Building fund	42,714	-	-	-	42,714
Accompanied Groups	70	2,852	(5,682)	-	(2,760)
	<u>2,797,623</u>	<u>221,348</u>	<u>(201,113)</u>	<u>63,669</u>	<u>2,881,527</u>

- **General fixed asset** – This fund is to show separately the general fixed assets from the free general funds. Depreciation of capital items falls under this category. Transfers are made from or to the general fund in relation to any fixed asset additions or disposals.
- **Building fund** – This fund is to meet planned redevelopment costs to the Church building. The transfer in 2019 relates to the balance of expenditure on the property capitalised during the year.

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements for the year ended 30 September 2021 (continued)

17 Analysis of net assets among funds

2021:

	Fixed assets £	Cash £	Other net assets £	Balance between funds £	Total £
Fund balances at 30 September 2021 are represented by:					
General fund	-	25,743	673	(26,199)	217
Designated Funds					
General fixed asset fund	2,852,703	-	-	-	2,852,703
Building fund	-	70,201	-	-	70,201
Restricted Funds					
Pastoral fund	-	-	-	163	163
Wates Foundation fund	-	-	-	1,294	1,294
Building fund	-	4,205	688	-	4,893
Youth Café	-	-	-	24,742	24,742
	<u>2,852,703</u>	<u>100,149</u>	<u>1,361</u>	<u>-</u>	<u>2,954,213</u>

2020:

	Fixed assets £	Cash £	Other net assets £	Balance between funds £	Total £
Fund balances at 30 September 2020 are represented by:					
General fund	-	4,134	(7,046)	(29,478)	(32,390)
Designated Funds					
General fixed asset fund	2,873,963	-	-	-	2,873,963
Building fund	-	-	-	42,714	42,714
Accompanied Groups	-	452	-	(3,212)	(2,760)
Restricted Funds					
Pastoral fund	-	-	-	163	163
Wates Foundation fund	-	-	-	1,294	1,294
Pre School fund	-	-	-	-	-
Building fund	-	11,481	1,471	(11,481)	1,471
	<u>2,873,963</u>	<u>16,067</u>	<u>(5,575)</u>	<u>-</u>	<u>2,884,455</u>

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements for the year ended 30 September 2021 (continued)

18 Leasing commitments

Operating leases

At 30 September 2021, the outstanding commitments for non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	1,503	1,262
Within two to five years	5,262	-
	<u>6,765</u>	<u>1,262</u>
 Total lease payments in the year	 <u>751</u>	 <u>2,152</u>

19 Related party transactions

Expenses totalling £759 (2020: £2,329) were reimbursed to 2 (2020: 3) Deacons.

The following Deacons were associated with the following recipients of grants:

		2021 £	2020 £
<i>Deacon</i>	<i>Association</i>		
P King	Pioneers UK	<u>5,394</u>	<u>5,394</u>

The following Deacons received remuneration in the year, as permitted by section 23 of the Constitution:

		2021 £	2020 £
<i>Deacon</i>	<i>Occupation</i>		
Rev R Marzetti	Pastor	<u>30,967</u>	<u>30,996</u>
		<u>30,967</u>	<u>30,996</u>

During the year, total restricted income of £4,000 was received from the Deacons towards the Youth Café.

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements for the year ended 30 September 2021 (continued)

20 Pension commitments and other post-retirement benefits

Defined benefit scheme

Background to the disclosure

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

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

The Minister is eligible to join the Scheme.

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 Legal and General Life Assurance Society Limited. 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 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 plc. The further 4% contribution rate is reduced to 3% for Employer contributions made to the Segregated DC Arrangement.

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.

Actuarial valuation as at 31 December 2019

"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%). The Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements for the year ended 30 September 2021 (continued)

20 Pension commitments and other post-retirement benefits (continued)

The key 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	
- Main Scheme pension	2.70

Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% 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 is due to take place not later than as at 31 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.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	2021 £	2020 £
Balance sheet liability at the start of the year	33,380	36,245
Minus deficiency contributions paid	(3,225)	(3,158)
Interest cost (recognised in SoFA)	83	520
Remaining change to balance sheet liability* (recognised in SoFA)	(11,280)	(227)
Balance sheet liability at the end of the year	18,958	33,380

* Comprises any change in agreed deficit recovery plan and change in assumptions between accounting periods.

CHATSWORTH BAPTIST CHURCH

Notes to the financial statements

for the year ended 30 September 2021 (continued)

20 Pension commitments and other post-retirement benefits (continued)

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	2021	2020	2019
Discount rate	1.1%	0.4%	1.5%
Future increases to Minimum Pensionable Income	3.9%	3.1%	3.4%