

# **CHATSWORTH BAPTIST CHURCH**

## **Report and unaudited financial statements**

**For the year ended 30 September 2023**

# CHATSWORTH BAPTIST CHURCH

## Financial statements for the year ended 30 September 2023

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# CHATSWORTH BAPTIST CHURCH

## Reference and administrative details

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### 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 2022 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 D Appah (elected with effect from 1 January 2024)  
Mr B Baya (resigned 31 December 2022)  
Mr I Bhoorasingh  
Mr F Blackwood (elected with effect from 1 January 2023)  
Ms J Hedman (elected with effect from 1 January 2023)  
Ms J Kasule (resigned 31 December 2022)  
Mr P King  
Ms O Lawuyi (resigned 31 December 2023)  
Rev R Marzetti  
Mr T McClymont  
Ms O D Odeli  
Ms I R Olorunnisomo  
Mrs P Pitter  
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

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

# CHATSWORTH BAPTIST CHURCH

## Minister's report for the year ended 30 September 2023

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A year of upheaval with a new heating and wiring system being put in place – and the difficulties and challenges that they provided – but we continued to offer services and care to the community.

This has included Sunday worship services, weddings and funerals; visiting the sick and those housebound; cooking for a homeless project; a MacMillan coffee morning; and providing Lent Courses and other prayer and general meetings.


We have seen two of our Members graduate from Spurgeon's College and who play an active role in the life of the church. This was especially important when I as the Senior Minister took a 10 week Sabbatical – the church continued to meet and provide care for all.

We have also hosted local Baptist minister clusters, & met and supported with other local ministers in West Norwood including a shared walk of witness on Good Friday.

We continue to make good use of our buildings, through a local dance school and other renters and hirers; through a longer term lease with a nursery, Sowing & Growing; and through our long standing relationship with Iglesia Bautista de Londres, a Spanish speaking Baptist Church, who meet here regularly.

Richard Marzetti  
Minister

Date: 11 May 2024



# **CHATSWORTH BAPTIST CHURCH**

## **Report of the Deacons for the year ended 30 September 2023**

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The Deacons present their report and the financial statements of Chatsworth Baptist Church for the year ended 30 September 2023, 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 and an Administrative Assistant. Our Youth and Children's Worker was ordained as a minister during the year. Various part-time staff worked on caretaking duties and in various groups.

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 (other than the Senior Pastor) received any remuneration in the year. Details of Deacons' expenses and related party transactions are disclosed in Note 20 to the financial statements. The pay of the ministers and other 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**

A major building project was completed during the year. This involved the replacement of the church boilers, removal of asbestos and complete renewal of the mechanical and electrical systems of the building, together with some associated work on the roofs. The total cost of this project (nearly £600,000) was met by gifts and loans from members and a substantial loan from the London Baptist Property Board.

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.

### **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 deficit of £294,665 at 30 September 2023 (2022: surplus of £62,152). 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 major building project on our finances. This confidence is based on previous experience and on projections taking into account the likely costs to be incurred and the gifts and pledges received.

# CHATSWORTH BAPTIST CHURCH

## Report of the Deacons for the year ended 30 September 2023

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### 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. The project to renew our mechanical and electrical systems is an important part of the building strategy.

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.
The Church has a substantial level of debt equal to approximately two years' income.	The Church intends to repay this debt over time out of regular Church giving, one-off gifts from members and rental income.

### 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 2023

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### 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 11 May 2024 and signed on their behalf by:



**P King**  
**Church Secretary**

# CHATSWORTH BAPTIST CHURCH

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

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I report on the financial statements of Chatsworth Baptist Church for the year ended 30 September 2022 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  
Jacob Cavenagh & Skeet  
5 Robin Hood Lane  
Sutton  
Surrey  
SM1 2SW

Date: 17 May 2024



# CHATSWORTH BAPTIST CHURCH

## Statement of financial activities for the year ended 30 September 2023

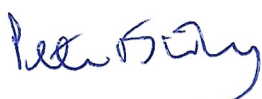
	Notes	Unrestricted Funds £	Restricted Funds £	2023 £	Unrestricted Funds £	Restricted Funds £	2022 £
<b>Income from:</b>							
Donations and legacies	2	132,881	104,275	<b>237,156</b>	146,470	158,525	304,995
Other trading activities	3	51,025	-	<b>51,025</b>	63,509	-	63,509
Investments	4	926	-	<b>926</b>	66	-	66
Charitable activities	5	149	-	<b>149</b>	159	-	159
CJRS Grant		-	-	-	418	-	418
<b>Total income</b>		<u>184,981</u>	<u>104,275</u>	<u><b>289,256</b></u>	<u>210,622</u>	<u>158,525</u>	<u>369,147</u>
<b>Expenditure on:</b>							
Charitable activities	6	<u>236,616</u>	<u>67,486</u>	<u><b>304,102</b></u>	<u>211,986</u>	<u>-</u>	<u>211,986</u>
<b>Total resources expended</b>		<u>236,616</u>	<u>67,486</u>	<u><b>304,102</b></u>	<u>211,986</u>	<u>-</u>	<u>211,986</u>
<b>Net income/(expenditure) for the year</b>		(51,635)	36,789	<b>(14,846)</b>	(1,364)	158,525	157,161
Gross transfers between funds		<u>192,212</u>	<u>(192,212)</u>	<u>-</u>	<u>32,737</u>	<u>(32,737)</u>	<u>-</u>
<b>Net movement in funds</b>		<u>140,577</u>	<u>(155,423)</u>	<u><b>(14,846)</b></u>	<u>31,373</u>	<u>125,788</u>	<u>157,161</u>
<b>Reconciliation of Funds</b>							
Total funds brought forward		<u>2,954,494</u>	<u>156,880</u>	<u><b>3,111,374</b></u>	<u>2,923,121</u>	<u>31,092</u>	<u>2,954,213</u>
<b>Total funds carried forward</b>		<u><u>3,095,071</u></u>	<u><u>1,457</u></u>	<u><u><b>3,096,528</b></u></u>	<u><u>2,954,494</u></u>	<u><u>156,880</u></u>	<u><u>3,111,374</u></u>

# CHATSWORTH BAPTIST CHURCH

## Balance sheet at 30 September 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		3,389,623		2,892,342
<b>Current assets</b>					
Debtors	13	34,788		28,647	
Cash at bank and in hand		125,486		193,563	
		160,274		222,210	
<b>Creditors: amounts falling due within one year</b>	14	(93,369)		(3,178)	
<b>Net current assets</b>			66,905		219,032
<b>Total assets less current liabilities</b>			3,456,528		3,111,374
<b>Creditors: amounts falling due after more than one year</b>	15	(360,000)			-
<b>Provisions for liabilities and charges</b>	21		-		-
<b>Net assets</b>			3,096,528		3,111,374
<b>Funds</b>					
Restricted funds	16		1,457		156,880
Unrestricted funds	17		3,095,071		2,954,494
<b>Total funds carried forward</b>	18		3,096,528		3,111,374

Approved by the Deacons on 11 May 2024 and signed on their behalf.



P King  
Church Secretary

# CHATSWORTH BAPTIST CHURCH

## Statement of cash flows for the year ended 30 September 2023

	2023		2022	
	£	£	£	£
<b>Net cash provided by operating activities (see below)</b>		<b>2,177</b>		<b>158,154</b>
<b>Cash flows from investing activities</b>				
Interest received	926		66	
Payments on fixed asset additions	(521,179)		(64,806)	
<b>Net cash (used in) investing activities</b>		<b>(520,253)</b>		<b>(64,740)</b>
<b>Cash flows from financing activities</b>				
Cash inflows from new borrowing	449,999		-	
<b>Net cash provided by financing activities</b>		<b>449,999</b>		<b>-</b>
<b>Net cash (outflow)/inflow</b>		<b>(68,077)</b>		<b>93,414</b>
Cash and cash equivalents at 1 October 2022		<b>193,563</b>		<b>100,149</b>
<b>Cash and cash equivalents at 30 September 2023</b>		<b>125,486</b>		<b>193,563</b>
<b>Cash flows from operating activities</b>				
<b>Net (expenditure)/income for the year</b>		<b>(14,846)</b>		<b>157,161</b>
Interest included in investing activities		<b>(926)</b>		<b>(66)</b>
Depreciation		<b>23,898</b>		<b>25,167</b>
Defined benefit employer contributions paid		<b>(12)</b>		<b>(3,113)</b>
Movement in defined benefit employer deficit provision		<b>12</b>		<b>(15,845)</b>
(Increase) in debtors		<b>(6,141)</b>		<b>(4,812)</b>
Increase/(decrease) in creditors		<b>192</b>		<b>(338)</b>
<b>Net cash provided by operating activities</b>		<b>2,177</b>		<b>158,154</b>

# CHATSWORTH BAPTIST CHURCH

## Notes to the financial statements for the year ended 30 September 2023

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### 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.

#### **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.

# CHATSWORTH BAPTIST CHURCH

## Notes to the financial statements for the year ended 30 September 2023 (continued)

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### 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
Freehold improvements	2-5%	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 other than on the freehold improvements.

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, details of which are given in note 21. 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 2023 (continued)

### 2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
Offerings	97,445		<b>97,445</b>	79,283
Other donations	6,995	90,243	<b>97,238</b>	191,924
Envelopes	4,972		<b>4,972</b>	1,756
Loose cash	9,005		<b>9,005</b>	7,567
Income tax recoverable	14,464	14,032	<b>28,496</b>	24,465
Total	<u>132,881</u>	<u>104,275</u>	<u><b>237,156</b></u>	<u>304,995</u>

### 3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
Rent receivable	49,885	-	<b>49,885</b>	61,415
Fundraising events	1,140	-	<b>1,140</b>	2,094
Total	<u>51,025</u>	<u>-</u>	<u><b>51,025</b></u>	<u>63,509</u>

### 4 Income from investments

	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
Interest receivable	926	-	<b>926</b>	66
Total	<u>926</u>	<u>-</u>	<u><b>926</b></u>	<u>66</u>

### 5 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
Youth and children's contributions	149	-	<b>149</b>	159
Total	<u>149</u>	<u>-</u>	<u><b>149</b></u>	<u>159</u>

# CHATSWORTH BAPTIST CHURCH

## Notes to the financial statements

for the year ended 30 September 2023 (continued)

### 6 Expenditure on charitable activities

	Activities undertaken directly £	Governance costs (see note 8) £	Grant funding of activities (see note 7) £	2023 £	2022 £
General fund	221,912	3,372	11,332	236,616	211,986
Building fund	67,486	-	-	67,486	-
Total Charitable Activities	289,398	3,372	11,332	304,102	211,986

### 7 Grants payable

	2023 £	2022 £
<b><i>Paid to individuals</i></b>		
Missionaries	5,668	10,793
<b><i>Grant payable to institutions</i></b>		
Pioneers UK	5,664	-
World church baptist missionary society	-	4,000
World church home mission fund	-	4,000
Total (see note 6)	11,332	18,793

### 8 Governance costs

	2023	2022 £
<b><i>Direct costs</i></b>		
Independent examination fees (including VAT)	3,372	3,180

# CHATSWORTH BAPTIST CHURCH

## Notes to the financial statements for the year ended 30 September 2023 (continued)

### 9 Employee information

	2023 £	2022 £
<b>Staff costs</b>		
Wages and salaries	105,182	97,438
Redundancy pay	7,754	-
Social security costs	2,511	2,480
Defined benefit employer pension contributions (see note 21)	3,509	3,266
Movement in defined benefit employer deficit provision (see note 21)	12	(15,845)
Defined contribution employer contributions (see note 21)	7,276	8,315
	<u>126,244</u>	<u>95,654</u>

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

	2023 Number	2022 Number
Full time	3	3
Part time	4	4
	<u>7</u>	<u>7</u>

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

Key Management Personnel (including the Deacons) received remuneration of £59,111 (2022: £57,340) during the year.

### 10 Net income

This is stated after charging:

	2023 £	2022 £
Staff costs	126,244	95,654
Independent Examination Fee	3,372	3,180
Depreciation of owned assets	<u>23,898</u>	<u>25,167</u>

### 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 2023 (continued)

### 12 Tangible fixed assets

	Freehold property £	Freehold improvements £	Office equipment £	Furniture & Fittings £	Total £
<b>Cost:</b>					
At 1 October 2022	2,734,394	888,816	79,371	113,910	3,816,491
Additions	-	521,179	-	-	521,179
Disposals	-	-	-	(10,056)	(10,056)
At 30 September 2023	<b>2,734,394</b>	<b>1,409,995</b>	<b>79,371</b>	<b>103,854</b>	<b>4,327,614</b>
<b>Depreciation:</b>					
At 1 October 2022	601,349	146,798	77,286	98,716	924,149
Provision for the year	-	20,478	922	2,498	23,898
Adjustments for disposals	-	-	-	(10,056)	(10,056)
At 30 September 2023	<b>601,349</b>	<b>167,276</b>	<b>78,208</b>	<b>91,158</b>	<b>937,991</b>
<b>Net book value:</b>					
At 30 September 2023	<b>2,133,045</b>	<b>1,242,719</b>	<b>1,163</b>	<b>12,696</b>	<b>3,389,623</b>
At 30 September 2022	2,133,045	742,018	2,085	15,194	2,892,342

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. Depreciation has been provided on freehold improvements.

### 13 Debtors

	2023 £	2022 £
Other debtors	24,172	16,784
Prepaid expenses and accrued income	10,616	11,863
	<b>34,788</b>	<b>28,647</b>

### 14 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	3,370	3,178
Loans	89,999	-
	<b>93,369</b>	<b>3,178</b>

# CHATSWORTH BAPTIST CHURCH

## Notes to the financial statements for the year ended 30 September 2023 (continued)

### 15 Creditors: amounts falling after more than one year

	2023 £	2022 £
Loans	360,000	-
	<u>360,000</u>	<u>-</u>

### 16 Restricted funds

#### 2023:

	Balance at 1 Oct 2022 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2023 £
Pastoral fund	163	-	-	-	163
Wates Foundation fund	1,294	-	-	-	1,294
Building fund	155,423	100,516	(67,486)	(188,453)	-
Youth Café	-	3,759	-	(3,759)	-
	<u>156,880</u>	<u>104,275</u>	<u>(67,486)</u>	<u>(192,212)</u>	<u>1,457</u>

#### 2022:

	Balance at 1 Oct 2021 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2022 £
Pastoral fund	163	-	-	-	163
Wates Foundation fund	1,294	-	-	-	1,294
Building fund	4,893	150,530	-	-	155,423
Youth Café	24,742	7,995	-	(32,737)	-
	<u>31,092</u>	<u>158,525</u>	<u>-</u>	<u>(32,737)</u>	<u>156,880</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.
- **Building Fund** – Donations received to meet the costs of the renovation works to the Church buildings and equipment are held in this fund. Transfers relate 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. Transfers relate to the expenditure capitalised during the year within unrestricted funds.

# CHATSWORTH BAPTIST CHURCH

## Notes to the financial statements

### for the year ended 30 September 2023 (continued)

#### 17 Unrestricted funds

##### 2023:

	Balance at 1 Oct 2022 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2023 £
General fund	62,152	183,692	(206,444)	(334,065)	<b>(294,665)</b>
<b>Designated Funds</b>					
General fixed asset fund	2,892,342	-	(23,898)	521,179	<b>3,389,623</b>
Accompanied Groups	-	1,289	(6,274)	5,098	<b>113</b>
	<u>2,954,494</u>	<u>184,981</u>	<u>(236,616)</u>	<u>192,212</u>	<u><b>3,095,071</b></u>

##### 2022:

	Balance at 1 Oct 2021 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2022 £
General fund	217	208,419	(180,599)	34,115	62,152
<b>Designated Funds</b>					
General fixed asset fund	2,852,703	-	(25,167)	64,806	2,892,342
Building fund	70,201	-	-	(70,201)	-
Accompanied Groups	-	2,203	(6,220)	4,017	-
	<u>2,923,121</u>	<u>210,622</u>	<u>(211,986)</u>	<u>32,737</u>	<u>2,954,494</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 2022 was made to set a balance to meet planned works on the property. The transfer in 2023 has been made to close the designated fund as the restricted building fund is sufficient.
- **Accompanied Groups** – This fund is to separately identified the activity of these groups. A transfer has been made to cover the excess expenditure.

# CHATSWORTH BAPTIST CHURCH

## Notes to the financial statements for the year ended 30 September 2023 (continued)

### 18 Analysis of net assets among funds

#### 2023:

	Fixed assets £	Cash £	Other net assets £	Balance between funds £	Total £
Fund balances at 30 September 2023 are represented by:					
General fund	-	125,373	(432,288)	12,250	(294,665)
<b>Designated Funds</b>					
General fixed asset fund	3,389,623	-	-	-	3,389,623
Building fund	-	-	-	-	-
Accompanied Groups	-	113	-	-	113
<b>Restricted Funds</b>					
Pastoral fund	-	-	-	163	163
Wates Foundation fund	-	-	-	1,294	1,294
Building fund	-	-	13,707	(13,707)	-
Youth Café	-	-	-	-	-
	<u>3,389,623</u>	<u>125,486</u>	<u>(418,581)</u>	<u>-</u>	<u>3,096,528</u>

#### 2022:

	Fixed assets £	Cash £	Other net assets £	Balance between funds £	Total £
Fund balances at 30 September 2022 are represented by:					
General fund	-	54,760	16,989	(9,597)	62,152
<b>Designated Funds</b>					
General fixed asset fund	2,892,342	-	-	-	2,892,342
Building fund	-	-	-	-	-
Accompanied Groups	-	-	-	-	-
<b>Restricted Funds</b>					
Pastoral fund	-	-	-	163	163
Wates Foundation fund	-	-	-	1,294	1,294
Building fund	-	138,803	8,480	8,140	155,423
Youth Café	-	-	-	-	-
	<u>2,892,342</u>	<u>193,563</u>	<u>25,469</u>	<u>-</u>	<u>3,111,374</u>

# CHATSWORTH BAPTIST CHURCH

## Notes to the financial statements for the year ended 30 September 2023 (continued)

### 19 Leasing commitments

#### *Operating leases*

At 30 September 2023, the outstanding commitments for non-cancellable operating leases fall due as follows:

	2023 £	2022 £
Within one year	1,503	1,503
Within two to five years	2,256	3,759
	<b>3,759</b>	5,262
Total lease payments in the year	<b>751</b>	751

### 20 Related party transactions

Expenses totalling £856 (2022: £1,354) were reimbursed to 1 (2022: 1) Deacon.

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

		2023 £	2022 £
<b><i>Deacon</i></b>	<b><i>Occupation</i></b>		
Rev R Marzetti	Pastor	34,265	31,862
		<b>34,265</b>	31,862

During the year, total restricted income of £51,370 was received from the Deacons towards the various restricted funds. Non-interest bearing loans to finance the building works totalling £49,999 were also received from a deacon during the year, which was still outstanding at the year end.

# CHATSWORTH BAPTIST CHURCH

## Notes to the financial statements for the year ended 30 September 2023 (continued)

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### 21 Pension commitments and other post-retirement benefits

#### Defined benefit scheme

##### *Background to the disclosure*

The Church is a participating employer 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. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

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.

The key financial assumptions underlying the valuation 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% pa)	2.95
Post retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Minimum Pensionable Income increases (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%.

# CHATSWORTH BAPTIST CHURCH

## Notes to the financial statements for the year ended 30 September 2023 (continued)

### 21 Pension commitments and other post-retirement benefits (continued)

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. 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.

#### 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.

	2023 £	2022 £
Balance sheet liability at the start of the year	-	18,958
Minus deficiency contributions paid	(12)	(3,113)
Interest cost (recognised in SoFA)	-	191
Remaining change to balance sheet liability* (recognised in SoFA)	12	(16,036)
Balance sheet liability at the end of the year	-	-

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

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:

	2023	2022	2021
Discount rate	5.3%	6.5%	1.1%
Future increases to Minimum Pensionable Income	0.0%	0.0%	3.9%