

PURLEY BAPTIST CHURCH

Building authentic, courageous, generous Christian community

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

**Company number: 07033844
Charity number: 1132285**

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PURLEY BAPTIST CHURCH

LEADERSHIP TEAM REPORT

The Leadership Team of the church present a combined Trustees' and Directors' Report and Consolidated Financial Statements for the year ended 31 December 2023. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102.

Reference and administrative information

Trustees and directors (Key management personnel)

Tim Allen
Michele Bailey
David Clarke
James Collins
Jenny Giles
Helen Harris

Olumide Lala
Ben Quartey-Papafio
David Colpus
Linda Davies
Chris Roe

Advisers:

Auditors: Shaw Gibbs [Audit] Limited, 264 Banbury Road, Oxford, OX2 7DY
Solicitors: Streeter Marshall, 12 Purley Parade, High Street, Purley, CR8 2AB
Bankers: HSBC Bank plc, 54 Woodcote Road, Wallington, SM6 0NJ

Structure, governance and management

Purley Baptist Church [PBC] is a company limited by guarantee and a registered charity, governed by its Memorandum and Articles of Association.

The Leadership Team [LT] are the directors and trustees of the charitable company and is comprised of stipendiary ministers who serve during their time in office and 'lay' leaders who are elected by the church members to serve for up to two periods of 5 years.

The LT is responsible for the oversight of the church and strategic planning. It meets regularly for prayer and business. Training and induction of new LT members is incorporated in these meetings. Co-ordinators [previously, Heads of Department] oversee particular areas of church ministry and are accountable to the LT.

Major decisions are taken to a meeting of church members; these are held at least four times a year.

The Church has a subsidiary company, 58:12 which was formed to carry out the proposed development of the island site in Purley. The church is also the trustee of the Purley Baptist Church Land Trust, which holds the title to the church property on trust for the church and the old 'excepted' charity, Purley Baptist Church.

Remuneration of key management personnel

The non-ministerial trustees give of their time freely and received no remuneration in the year. The detail of ministerial pay and related party transactions are shown in note 15 to the accounts. The pay of the ministers is reviewed annually and normally increased with reference to increase in the cost of living and the recommendation of the Baptist Union.

Objectives and activities

The main object of the church, as set out in its memorandum of association, is the advancement of the Christian faith in accordance with the doctrines usually denominated "evangelical" and in particular those set out in the Articles of Faith. The other objects are the advancement of education, citizenship and community development and the relief of poverty.

PURLEY BAPTIST CHURCH

LEADERSHIP TEAM REPORT (continued)

The church's vision statement is: 'building authentic, courageous, generous Christian community.' The church seeks to bring about transformation in the lives of individuals as they come to know Jesus Christ and transformation in the community through the provision of facilities and activities.

The main resource that the church supplies to advance its objectives is people – both paid staff and volunteers. Around half of annual expenditure is on staff costs. We are grateful to God for the many hours of faithful service given by church members to enable the activities of the church to continue.

The Leadership Team has had due regard to the Charity Commission's guidance on public benefit when considering the activities in the period.

Grant making policy

There are established processes by which the church gives money to other organisations and individuals. Mission partners are supported via grants to their sending organisations. Funds are raised for these by means of occasional special offerings and other fund-raising events. Donations are also made to other causes as needs come to our attention and funds are available.

Achievements and performance

God has been very gracious to our church family throughout 2023. Our morning in-person congregations now exceed pre-Covid levels whilst the 11.15 am service continues to be made available as a live stream or as a recording via our YouTube channel attracting around 150-200 hits a week. We have welcomed a good number of new church members and all the indications are that the church is growing.

The premises continue to be in use on almost every day of the year. Once again, each week, we have welcomed hundreds of local residents into our buildings to enjoy a wide range of church and community activities. These have included: Jigsaws, our bi-monthly service for adults with learning disabilities and their carers; Cameo, our mid-week service for retired people and Bods and Todds, a weekly baby and toddler group. Life Groups met during the week to provide fellowship and teaching. Church members are encouraged to attend our monthly 'Heartbeat' prayer meetings. Church members' meetings continue to be 'hybrid' [available both in-person and on-line]; we continue to enjoy greater participation than our pre-lockdown 'in-person only' meetings.

Amidst economic conditions that have continued to be challenging proactive pastoral support has been provided to members who have faced difficulties during the year. We have continued to use the Hardship fund to help those facing financial strain. We also continue to run a counselling service which provides affordable, professional counselling to church members and those in the community.

PBC continues to offer a substantial programme of activities aimed at helping people facing hardship / deprivation. The Purley Cross Centre offers various services and ministries. In cooperation with other local churches, we continue to offer a suite of CAP [Christians Against Poverty] services which are very popular and have helped many people. Church members have worked with Purley & Kenley Churches Together to run a Food Hub which provides food to those in need and Renew 23, a café, open to all, [based in the church premises] where it is 'OK not to be OK'. We also offer numerous courses aimed at helping people with basic life skills.

At the end of May Wendy Colpus left her staff position overseeing our Children and Families ministry. Wendy had served faithfully and excellently during her time on the staff team. In August, Michael and Grace Oggudah joined the staff team appointed to carry on this work on a temporary basis while we decided on a longer-term replacement. In September, Lucia Wood was appointed as a youth work intern.

PURLEY BAPTIST CHURCH

LEADERSHIP TEAM REPORT (continued)

Achievements and performance (continued)

Children's and youth ministry continues to be a very high priority. We have continued to offer various age groups running during the 11:15am service – attendance has improved and is now approaching pre-Covid levels. In partnership with the church, the Scouts groups have continued to meet and take part in our monthly Parade service. The church also runs 'Super Saturdays', a group meeting monthly with lots of activities for children and families on Saturday mornings.

Progress continues to be made with the 58:12 development project. Phase 1 of the project (comprising affordable housing units on the Banstead Road) is almost complete; we look forward to welcoming the new residents soon. We have formed various teams to oversee the 58:12 project, protect the church's interests and begin to plan for life in our new premises. These teams include some individuals with much relevant, professional expertise.

Financial review

The church continues to be funded mainly by donations from members. A loss for the year was recorded largely due to unplanned spending on our buildings and a decision to make an in year pay award to staff that recognised the level of inflation. 58:12 continues to receive sufficient income to cover ongoing expenditure.

Reserves policy

The total funds of the church at the end of the year were £2,365,644. £2,139,552 of this is invested in fixed assets, mainly property. £16,697 is held in restricted funds.

The Leadership Team has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the church should be around 3 months essential expenditure plus a provision for possible fluctuations in income. This equates to approximately £250,000. The free reserves at 31 December 2023 were £206,000.

Risks and uncertainties

The church has identified that a lack of volunteers or suitable staff are significant risks as the church would be unable to continue its current level of activity. These risks are managed by publicising volunteer opportunities in a variety of different ways and taking care over the recruitment of staff so they are a good fit with the church. We also awarded an in year pay increase to staff in recognition of their tremendous commitment to the church and against the background of significant price inflation eroding their real level of pay. This was intended to provide further mitigation of the risk that staff leave because the level of pay was insufficient. Work among children, young people and vulnerable adults means there is a risk of accusations being made against staff or volunteers. Safeguarding policies and procedures are in place to reduce this risk, together with ongoing training.

There are a number of risks associated with the potential development of the site that have been identified including the potential risk to the financial viability of the scheme following increases in the price of building materials and associated costs and uncertainty about the revenue the developer would receive from the sale of flats. These risks are being borne by the developer but there remains the residual risk that the developer might seek to vary the agreement with us, this can only be done with our agreement. Regulatory risks regarding the legal details of the agreement are addressed by using a firm of solicitors that have expertise in this area.

Plans for the future

The church will, of course, continue to prioritise its charitable objectives and commensurate activities as spelt out above. The prospect of extensive new church and community facilities presents a major and exciting opportunity for PBC to extend its achievement of these. It is envisaged that this will require an increasing amount of leadership, creativity and detailed planning in the next few years.

PURLEY BAPTIST CHURCH

LEADERSHIP TEAM REPORT (continued)

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standard [United Kingdom Generally Accepted Accounting Policies].

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of incoming resources and application of resources, including the income and expenditure of the charitable group for the period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 church will continue in its activities.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the church and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Disclosure of information to the auditors

To the knowledge and belief of the directors, there is no relevant information that the company's auditors are not aware of, and the directors have taken all the steps necessary to ensure that the auditors are aware of any relevant information, and to establish that the company's auditors are aware of this information.

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Leadership Team on 24 September 2024 and signed on their behalf by:



David Clarke
Director

Purley Baptist Church
Banstead Road
Purley
Surrey CR8 3EA

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF PURLEY BAPTIST CHURCH

Opinion

We have audited the financial statements of Purley Baptist Church [the 'charitable company'] for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 group's and parent charitable company's affairs as at 31 December 2023 and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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 group'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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF PURLEY BAPTIST CHURCH (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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.

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 capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with trustees and other management, review of the company's list of legal & regulatory requirements, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, charity legislation, employment, safeguarding and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting relevant correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF PURLEY BAPTIST CHURCH (continued)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- obtaining an overview of the internal procedures adopted by the client to ensure continued compliance with relevant laws and regulations, including a review of a sample of the reports from internal process audits;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing relevant correspondence with relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lance Redman

Lance Redman [Senior Statutory Auditor]
for and on behalf of Shaw Gibbs (Audit) Limited
264 Banbury Road
Oxford
OX2 7DY

25 September 2024

PURLEY BAPTIST CHURCH

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including the income and expenditure account)

FOR THE YEAR ENDED 31 DECEMBER 2023

	Unrestricted Funds £	Restricted Funds £	2023 Total £	Unrestricted Funds £	Restricted Funds £	2022 Total £
Income from:						
Donations and legacies	568,829	31,061	599,890	532,546	20,601	553,147
Charitable activities [note 3]	23,590	9,717	33,307	12,196	30,893	43,089
Other trading activities	47,600	-	47,600	42,900	-	42,900
Investments	5,566	-	5,566	440	-	440
Premium	3,284	-	3,284	50,000	-	50,000
Other	<u>2,170</u>	<u>-</u>	<u>2,170</u>	<u>1,170</u>	<u>-</u>	<u>3,417</u>
Total income	<u>651,039</u>	<u>40,778</u>	<u>691,817</u>	<u>639,252</u>	<u>51,494</u>	<u>690,746</u>
Expenditure on:						
Charitable Activities [note 5a]						
Ministry/Worship	347,469	-	347,469	273,293	-	273,293
Mission	319,355	6,585	325,940	350,099	19,410	369,509
Purley Cross Centre	<u>4,712</u>	<u>22,664</u>	<u>27,376</u>	<u>-</u>	<u>25,442</u>	<u>25,442</u>
Total expenditure	<u>671,536</u>	<u>29,249</u>	<u>700,785</u>	<u>623,392</u>	<u>44,852</u>	<u>668,244</u>
Net (expenditure)/income	[20,497]	11,529	[8,968]	15,860	6,642	22,502
Transfers between funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	[20,497]	11,529	[8,968]	15,860	6,642	22,502
Reconciliation of funds						
Fund balances brought forward	4,786,343	885,980	5,672,323	4,770,483	879,338	5,649,821
Fund balances carried forward	<u>4,765,846</u>	<u>897,509</u>	<u>5,663,355</u>	<u>4,786,343</u>	<u>885,980</u>	<u>5,672,323</u>

PURLEY BAPTIST CHURCH
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

	<i>Note</i>	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	8a		5,397,276		5,382,653
Current assets					
Debtors	9a	175,205		360,648	
Cash at bank and in hand		276,139		616,392	
		<u>451,344</u>		<u>977,040</u>	
Current liabilities					
Creditors: Amounts falling due in less than one year	10a	<u>185,265</u>		<u>500,370</u>	
Net current assets			<u>266,079</u>		<u>476,670</u>
Total assets less current liabilities			5,663,355		5,859,323
Creditors: Amounts falling due after more than one year	11		(_____)		(<u>187,000</u>)
Net assets			<u>5,663,355</u>		<u>5,672,323</u>
Represented by					
Restricted Funds	13a		897,509		885,980
Unrestricted Funds	12a		<u>4,765,846</u>		<u>4,786,343</u>
			<u>5,663,355</u>		<u>5,672,323</u>

The financial statements were prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies, were approved by the Leadership Team on 24 September 2024 and signed on their behalf:



David Clarke
Director

Company number: 07033844

PURLEY BAPTIST CHURCH
CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2023

	2023		2022	
	£	£	£	£
Net cash provided by/(used in) operating activities [see below]		155,315		[154,223]
Cash flows from investing activities				
Proceeds on disposal of property	-		639,000	
Purchase of property, plant and equipment	[28,568]		[18,712]	
Net cash [used in]/provided by investing activities		[28,568]		620,288
Cash flows from financing activities				
Repayments of borrowing	<u>467,000</u>		<u>380,000</u>	
Net cash used in financing activities		[467,000]		[380,000]
Change in cash in the year		[340,253]		86,065
Cash at start of the year		<u>616,392</u>		<u>530,327</u>
Cash at the end of the year		<u>276,139</u>		<u>616,392</u>
Reconciliation of net cash provided by operating activities				
		£		£
Net [expenditure]/income		[8,968]		22,502
Depreciation		13,945		14,688
Loss on disposal of fixed assets		-		861
Change in debtors		185,443		[92,506]
Change in creditors		[35,105]		[71,168]
Change in provision		-		[28,600]
Net cash provided by/(used in) operating activities		<u>155,315</u>		<u>[154,223]</u>

Analysis of changes in net debt

	At 1 Jan 2023	Cash flows	Non-cash changes	At 31 Dec 2023
Cash	616,392	[340,253]	-	276,139
Loans falling due within one year	[280,000]	280,000	-	-
Loans falling due in more than one year	[187,000]	<u>187,000</u>	-	-
	<u>149,392</u>	<u>126,747</u>	<u>-</u>	<u>276,139</u>

PURLEY BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)

FOR THE YEAR ENDED 31 DECEMBER 2023

	Unrestricted Funds £	Restricted Funds £	2023 Total £	Unrestricted Funds £	Restricted Funds £	2022 Total £
Income from:						
Donations and legacies	532,627	6,061	538,688	481,877	20,601	502,478
Charitable activities [note 3]	23,590	9,717	33,307	12,096	30,893	43,089
Other trading activities	47,600	-	47,600	42,900	-	42,900
Investments	2,257	-	2,257	440	-	440
Other	1,808	-	1,808	330	-	330
Total income	<u>607,882</u>	<u>15,778</u>	<u>623,660</u>	<u>537,743</u>	<u>51,494</u>	<u>589,237</u>
Expenditure on:						
Charitable Activities [note 5b]						
Ministry/Worship	347,469	-	347,469	273,294	-	273,294
Mission	308,965	4,895	313,860	312,433	17,840	330,273
Purley Cross Centre	4,712	22,664	27,376	-	25,442	25,442
Total expenditure	<u>661,146</u>	<u>27,559</u>	<u>688,705</u>	<u>585,727</u>	<u>43,282</u>	<u>629,009</u>
Net (expenditure)/income	[53,264]	[11,781]	[65,045]	[47,984]	8,212	[39,772]
Transfers	-	-	-	-	-	-
Net movement in funds	[53,264]	[11,781]	[65,045]	[47,984]	8,212	[39,772]
Reconciliation of funds						
Fund balances brought forward	<u>2,402,211</u>	<u>28,478</u>	<u>2,430,689</u>	<u>2,450,195</u>	<u>20,266</u>	<u>2,470,461</u>
Fund balances carried forward	<u>2,348,947</u>	<u>16,697</u>	<u>2,365,644</u>	<u>2,402,211</u>	<u>28,478</u>	<u>2,430,689</u>

PURLEY BAPTIST CHURCH**BALANCE SHEET****AS AT 31 DECEMBER 2023**

	<i>Note</i>	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	8b		2,139,552		2,124,929
Current assets					
Debtors	9b	163,956		338,219	
Cash at bank and in hand		97,201			221,927
		<u>261,157</u>		<u>560,146</u>	
Current liabilities					
Creditors: Amounts falling due in less than one year	10b	<u>35,065</u>		<u>67,386</u>	
Net current assets			<u>226,092</u>		<u>492,760</u>
Total assets less current liabilities			2,365,644		2,617,689
Creditors: Amounts falling due after more than one year	11		<u>-</u>		<u>[187,000]</u>
Net assets			<u>2,365,644</u>		<u>2,430,689</u>
Represented by					
Restricted Funds	13b		16,697		28,478
Unrestricted Funds	12b		<u>2,348,947</u>		<u>2,402,211</u>
			<u>2,365,644</u>		<u>2,430,689</u>

The financial statements were prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies, were approved by the Leadership Team on 24 September 2024 and signed on their behalf:



David Clarke
Director

PURLEY BAPTIST CHURCH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

1.1 Accounting convention

The church is a company limited by guarantee with registered office at Banstead Road, Purley, Surrey, CR8 3EA and incorporated in England. It is a public benefit entity.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 as amended by Update bulletin 1, Financial Reporting Standard 102 and the Companies Act 2006. The financial statements are prepared in pound sterling rounded to the nearest pound. The financial statements are prepared under the historical cost convention and on the going concern basis. There are no material uncertainties about the church's ability to continue in operation.

1.2 Properties

Freehold properties have been included at valuation at the date of gift from the unincorporated charity with subsequent improvements at cost. The formal title to the church building is held by Purley Baptist Church Land Trust, of which the Church is a corporate trustee. The Church has the beneficial interest in the property and it is therefore shown in these accounts.

The Leadership Team consider that the residual value of the freehold land is sufficiently higher than the carrying values of the freehold property to render both the depreciation charge for the year and the accumulated depreciation immaterial. No depreciation has therefore been charged on freehold property.

1.3 Other assets

Other assets are included at valuation on date of gift or cost. Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives by equal instalments with a full annual charge in the period of acquisition. Assets under £500 are not capitalised. The principal useful economic lives applied in calculating depreciation are as follows:

Church furniture	Over 6 years
Office equipment	Over 3 and 4 years
Sound and other equipment	Over 3 years

1.4 Donations, gifts and legacies

These are accounted for when the Church is certain of receipt and the amount can be measured with reasonable accuracy.

1.5 Investment income

This represents bank interest and is accounted for on a receivable basis.

1.6 Grants

Grants payable are included once the expenditure has been approved by the Leadership Team.

PURLEY BAPTIST CHURCH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

1.7 Expenditure

These are recognised when the expenditure is incurred. All costs have been directly attributed to one of the functional classifications in the SOFA. Support costs have been allocated one third to Ministry and two thirds to Mission.

1.8 Governance costs

These comprise expenditure relating to compliance with constitutional and statutory requirements.

1.9 Pension costs

Pension contributions into defined contribution schemes are accounted for when they fall due. The pension cost for the defined benefit scheme is the movement in the discounted provision for the year.

1.10 Creditors and provisions

Creditors and provisions are recognised where the church 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.

1.11 Financial instruments

The church 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 using amortised cost on the effective interest rate method.

1.12 Consolidation

The results of the company, 58:12, for the year ended 31 December 2023 have been consolidated on a line by line basis. The specific purpose of the company is to promote urban regeneration in Purley. The company is limited by guarantee and under the control of the church.[see note 16]

2. Net income

This is stated after charging:

	2023 £	2022 £
Audit fee	9,700	8,960
Depreciation	<u>13,945</u>	<u>14,688</u>

3. Income from charitable activities

	2023 £	2022 £
Purley Cross Centre	10,017	30,893
Purley Counselling Service	17,716	8,655
Rent of manses	47,600	42,900
Church events	<u>5,574</u>	<u>3,541</u>

PURLEY BAPTIST CHURCH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

80,907 85,989

4. Staff costs

	2023	2022
	£	£
Salaries	380,028	320,500
Employer's National Insurance	31,734	22,169
Employer's contribution to defined contribution pension schemes	30,757	28,932
Interest cost and change to defined benefit scheme liability	<u>-</u>	<u>(24,986)</u>
	<u>442,519</u>	<u>346,615</u>

The average monthly number of employees during the year were as follows:

	2023	2022
Ministry	6	4
Administration	4	4
Facilities	2	2
Purley Cross Centre	<u>1</u>	<u>1</u>
	<u>13</u>	<u>11</u>

No employees earned over £60,000 in the year. Details of trustees' remuneration are disclosed in note 15. The trustees did not receive any reimbursed expenses.

5a. Charitable Activities - Group

	Direct Costs	Grant Funding	Support Costs	Total 2023	Total 2022
	£	£	£	£	£
Ministry/worship	248,157	-	99,312	347,469	273,293
Mission	47,312	76,626	202,002	325,940	369,509
Purley Cross Centre	<u>27,376</u>	<u>-</u>	<u>-</u>	<u>27,376</u>	<u>25,442</u>
	<u>322,845</u>	<u>76,626</u>	<u>301,314</u>	<u>700,785</u>	<u>668,244</u>

5b. Charitable Activities - Church

	Direct Costs	Grant Funding	Support Costs	Total 2023	Total 2022
	£	£	£	£	£
Ministry/worship	248,157	-	99,312	347,469	273,293
Mission	38,612	76,626	198,622	313,860	330,274
Purley Cross Centre	<u>27,376</u>	<u>-</u>	<u>-</u>	<u>27,376</u>	<u>25,442</u>
	<u>314,145</u>	<u>76,626</u>	<u>297,934</u>	<u>688,705</u>	<u>629,009</u>

6. Support costs – Church

	Ministry	Mission	2023	2022
	£	£	£	£
Administration	66,650	133,299	199,949	170,842
Governance – auditor's remuneration	2,107	4,213	6,320	5,820
Facilities	<u>30,555</u>	<u>61,110</u>	<u>91,665</u>	<u>119,539</u>
	<u>99,312</u>	<u>198,622</u>	<u>297,934</u>	<u>296,201</u>

PURLEY BAPTIST CHURCH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

Support costs have been allocated one third to Ministry and two thirds to Mission.

7. Grants payable

	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
<i>Mission and relief</i>				
Baptist Union Home Mission Fund	6,438	-	6,438	12,000
Baptist Missionary Society	19,391	-	19,391	23,000
International Needs	910	1,096	2,006	-
BMS Ukraine	-	-	-	745
Embrace the Middle East	-	-	-	1,202
Other	1,645	-	1,645	779
Individuals – Hardship fund	<u>-</u>	<u>3,780</u>	<u>3,780</u>	<u>4,150</u>
	28,384	4,876	33,260	41,876
<i>Missionary Support</i>				
Wycliffe Bible Translators	31,361	-	31,361	29,005
Mission Aviation Fellowship	6,005	-	6,005	5,705
Individuals	<u>6,000</u>	<u>-</u>	<u>6,000</u>	<u>14,406</u>
	43,366	-	43,366	49,116
<i>Social Action</i>				
Purley & Kenley Churches Together Food Hub	-	-	-	871
Purley Churches Christmas projects	-	-	-	6,863
Children in Need	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total grants - group	<u>71,750</u>	<u>4,876</u>	<u>76,626</u>	<u>98,726</u>
Grant from PBC to 58:12	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total grants – church	<u>71,750</u>	<u>4,876</u>	<u>76,626</u>	<u>98,726</u>

8a Tangible assets – Group

	Freehold Properties £	Church & Sound Equip £	Office, Qube & PCC Equip £	Total £
Cost or valuation				
At 1 January 2023	5,367,850	42,547	55,987	5,466,384
Additions	-	22,854	5,714	28,568
Disposals	<u>-</u>	<u>(395)</u>	<u>(-)</u>	<u>(395)</u>
At 31 December 2023	<u>5,367,850</u>	<u>65,006</u>	<u>61,701</u>	<u>5,494,557</u>
Depreciation				
At 1 January 2023	13,628	31,157	38,946	83,731
Charge for the year	-	6,920	7,025	13,945
Released on disposal	<u>-</u>	<u>(395)</u>	<u>(-)</u>	<u>(395)</u>
At 31 December 2023	<u>13,628</u>	<u>37,682</u>	<u>45,971</u>	<u>97,281</u>
Net book value				
At 31 December 2023	<u>5,354,222</u>	<u>27,324</u>	<u>15,730</u>	<u>5,397,276</u>
At 31 December 2022	<u>5,354,222</u>	<u>11,390</u>	<u>17,041</u>	<u>5,382,653</u>

PURLEY BAPTIST CHURCH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

8b Tangible assets – Church

	Freehold Properties £	Church & Sound Equip £	Office, Qube & PCC Equip £	Total £
Cost				
At 1 January 2023	2,110,126	42,547	55,987	2,208,660
Additions	-	22,854	5,714	28,568
Disposals	-	(395)	(-)	(395)
At 31 December 2023	<u>2,110,126</u>	<u>65,006</u>	<u>61,701</u>	<u>2,236,833</u>
Depreciation				
At 1 January 2023	13,628	31,157	38,946	83,731
Charge for the year	-	6,920	7,025	13,945
Released on disposal	-	(395)	(-)	(395)
At 31 December 2023	<u>13,628</u>	<u>37,682</u>	<u>45,971</u>	<u>97,281</u>
Net book value				
At 31 December 2023	<u>2,096,498</u>	<u>27,324</u>	<u>15,730</u>	<u>2,139,552</u>
At 31 December 2022	<u>2,096,498</u>	<u>11,390</u>	<u>17,041</u>	<u>2,124,929</u>

The residential properties owned by the church are included in freehold properties at historical value of £900,000. The current market value of these properties is around £2,300,000.

9a. Debtors - Group

	2023 £	2022 £
Gift aid tax recoverable	159,229	115,229
Other debtors	6,041	236,157
Prepayments	<u>9,935</u>	<u>9,262</u>
	<u>175,205</u>	<u>360,648</u>

9b. Debtors – Church

	2023 £	2022 £
Gift aid tax recoverable	144,800	106,800
Other debtors (including intercompany loan see note 15)	9,221	222,157
Prepayments	<u>9,935</u>	<u>9,262</u>
	<u>163,956</u>	<u>338,219</u>

PURLEY BAPTIST CHURCH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023
(continued)

10a. Creditors: Amounts falling due in less than one year - Group

	2023	2022
	£	£
LBPB loans	-	280,000
Other creditors (including £147,000 other loans see text in note 11)	170,269	184,147
Accruals	<u>14,996</u>	<u>36,223</u>
	<u>185,265</u>	<u>500,370</u>

10b. Creditors: Amounts falling due in less than one year – Church

	2023	2022
	£	£
Other creditors	23,269	17,147
LBPB loans	-	30,000
Accruals	<u>11,796</u>	<u>20,239</u>
	<u>35,065</u>	<u>67,386</u>

11. Creditors: Amounts falling due in more than one year – Group

	2023	2022
	£	£
LBPB loans	<u>-</u>	<u>187,000</u>

The loans from the London Baptist Property Board (LBPB loans) were secured over some of the freehold property of the church and bore interest at 3.2%. Interest of £7,961 [2022: £30,281] was paid on these loans during the year to the point that they were repaid. The total other loans of £147,000 represent unsecured interest free loans from church members and friends.

PURLEY BAPTIST CHURCH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

12a. Unrestricted Funds – Group

	Balance at 1 January 23 £	Income £	Expenditure £	Transfers £	Balance at 31 December 23 £
General Fund Church	2,402,211	607,882	[661,146]	-	2,348,947
General Fund 58:12	<u>2,384,132</u>	<u>43,157</u>	<u>[10,390]</u>	<u>-</u>	<u>2,416,899</u>
	<u>4,786,343</u>	<u>651,039</u>	<u>[671,536]</u>	<u>-</u>	<u>4,765,846</u>

	Balance at 1 January 22 £	Income £	Expenditure £	Transfers £	Balance at 31 December 22 £
General Fund Church	2,450,195	537,743	[585,727]	-	2,402,211
General Fund 58:12	<u>2,320,288</u>	<u>101,509</u>	<u>[37,665]</u>	<u>-</u>	<u>2,384,132</u>
	<u>4,770,483</u>	<u>639,252</u>	<u>[623,392]</u>	<u>-</u>	<u>4,786,343</u>

12b. Unrestricted Funds – Church

	Balance at 1 January 23 £	Income £	Expenditure £	Transfers £	Balance at 31 December 23 £
<i>General – Church</i>	272,489	584,797	[629,192]	[22,181]	205,913
<i>General – Fixed assets</i>	2,124,929	-	-	14,623	2,139,552
<i>General – Other activities</i>	<u>4,793</u>	<u>23,085</u>	<u>[31,954]</u>	<u>7,558</u>	<u>3,482</u>
General Fund Total	<u>2,402,211</u>	<u>607,882</u>	<u>[661,146]</u>	<u>-</u>	<u>2,348,947</u>

	Balance at 1 January 22 £	Income £	Expenditure £	Transfers £	Balance at 31 December 22 £
<i>General – Church</i>	311,117	523,251	[566,457]	4,578	272,489
<i>General – Fixed assets</i>	2,121,766	-	-	3,163	2,124,929
<i>General – Other activities</i>	<u>17,312</u>	<u>14,492</u>	<u>[19,270]</u>	<u>[7,741]</u>	<u>4,793</u>
General Fund Total	<u>2,450,195</u>	<u>537,743</u>	<u>[585,727]</u>	<u>-</u>	<u>2,402,211</u>

The other organisations represent balances held in respect of Bods and Tods, Ladies Breakfast, Aperture, Purley Counselling Service and Medical Mission.

PURLEY BAPTIST CHURCH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

13a. Restricted Funds - Group

	Balance at 1 January 23	Income	Expenditure	Transfers	Balance at 31 December 23
	£	£	£	£	£
58:12 Development	857,502	25,000	[1,690]	-	880,812
Purley Cross Centre	12,947	9,717	[22,664]	-	-
Special objects	15,531	6,061	[4,895]	-	16,697
	<u>885,980</u>	<u>40,778</u>	<u>[29,249]</u>	<u>-</u>	<u>897,509</u>

	Balance at 1 January 22	Income	Expenditure	Transfers	Balance at 31 December 22
	£	£	£	£	£
58:12 Development	859,072	-	[1,570]	-	857,502
Purley Cross Centre	7,496	30,893	[25,442]	-	12,947
Special objects	12,770	20,601	[17,840]	-	15,531
	<u>879,338</u>	<u>51,494</u>	<u>[44,852]</u>	<u>-</u>	<u>885,980</u>

13b. Restricted Funds - Church

	Balance at 1 January 23	Income	Expenditure	Transfers	Balance at 31 December 23
	£	£	£	£	£
Special objects	15,531	6,061	[4,895]	-	16,697
Purley Cross Centre	12,947	9,717	[22,664]	-	-
	<u>28,478</u>	<u>15,778</u>	<u>[27,559]</u>	<u>-</u>	<u>16,697</u>

	Balance at 1 January 22	Income	Expenditure	Transfers	Balance at 31 December 22
	£	£	£	£	£
Special objects	12,770	20,601	[17,840]	-	15,531
Purley Cross Centre	7,496	30,893	[25,442]	-	12,947
	<u>20,266</u>	<u>51,494</u>	<u>[43,282]</u>	<u>-</u>	<u>28,478</u>

The *Special Objects Fund* receives donations earmarked for specific purposes, including special offerings made during the year. These amounts are then remitted to the appropriate beneficiaries.

The *Purley Cross Centre Fund* received grants and donations for specific purposes in the year. The income from the offices and the remaining costs of the Purley Cross Centre have been borne by the General Fund and are shown in the Statement of Financial Activities on page 7.

PURLEY BAPTIST CHURCH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

14a. Analysis of net assets between funds - Group

2023	Fixed Assets	Net Current Assets £	Long Liabilities £	Inter Fund accounts £	Total £
Church General Fund	2,139,552	209,395	-	-	2,348,947
Special Objects Fund	-	16,697	-	-	16,697
58:12 General Fund	2,418,253	[1,354]	-	-	2,416,899
58:12 Restricted Fund	<u>839,471</u>	<u>41,341</u>	-	-	<u>880,812</u>
	<u>5,397,276</u>	<u>266,079</u>	-	-	<u>5,663,355</u>
2022	Fixed Assets	Net Current Assets £	Long Liabilities £	Inter Fund accounts £	Total £
Church General Fund	2,124,929	247,282	[187,000]	217,000	2,402,211
Purley Cross Centre	-	12,947	-	-	12,947
Special Objects Fund	-	15,531	-	-	15,531
58:12 General Fund	2,418,253	182,879	-	[217,000]	2,384,132
58:12 Restricted Fund	<u>839,471</u>	<u>18,031</u>	-	-	<u>857,502</u>
	<u>5,382,653</u>	<u>476,670</u>	<u>[187,000]</u>	-	<u>5,672,323</u>

14b. Analysis of net assets between funds - Church

2023	Fixed Assets £	Current Assets £	Liabilities and provisions £	Total £
<i>General Fund</i>	<i>2,139,552</i>	<i>240,978</i>	<i>[35,065]</i>	<i>2,345,465</i>
<i>General Fund – Other activities</i>	<i>-</i>	<i>3,482</i>	<i>-</i>	<i>3,482</i>
General Fund Total	2,139,552	244,460	[35,065]	2,348,947
Special objects fund	-	16,697	-	16,697
	<u>2,139,552</u>	<u>261,157</u>	<u>[35,065]</u>	<u>2,365,644</u>
2022	Fixed Assets £	Current Assets £	Liabilities and provisions £	Total £
<i>General Fund</i>	<i>2,124,929</i>	<i>526,875</i>	<i>[314,386]</i>	<i>2,337,418</i>
<i>General Fund – Other activities</i>	<i>-</i>	<i>4,793</i>	<i>-</i>	<i>4,793</i>
General Fund Total	2,124,929	531,668	[314,386]	2,342,211
Purley Cross Centre	-	12,947	-	12,947
Special objects fund	-	15,531	-	15,531
	<u>2,124,929</u>	<u>560,146</u>	<u>[314,386]</u>	<u>2,370,689</u>

PURLEY BAPTIST CHURCH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023
(continued)

15 Related party transactions

Trustees remuneration

The following trustees received remuneration under the authority of the Memorandum & Articles of Association::

		Remuneration	Pension
		£	Contributions
James Collins	Senior Minister	39,056	4,393
Tim Allen	Assistant Minister	55,767	4,838
Chris Roe	Worship Pastor	<u>53,800</u>	<u>4,183</u>

The Senior Minister was also provided with accommodation. Benefits are accruing to three trustees under money purchase pension schemes.

Employee benefits of £178,781 [2022:£147,194] were received by key management personnel in the year.

16 Subsidiary

The subsidiary, 58:12 has company number 4832161, charity number 1101446 and registered office of Banstead Road, Purley, Surrey, CR8 3EA. The church has full control of the subsidiary. The subsidiary has been included in the consolidated accounts on a line by line basis. A summary of its results for the year is as follows:

	2023	2022
	£	£
Assets	3,451,091	3,891,618
Liabilities	<u>153,380</u>	<u>649,984</u>
Total funds	<u>3,297,711</u>	<u>3,241,634</u>
Income	68,157	101,509
Expenditure	<u>12,080</u>	<u>39,235</u>
Surplus	<u>56,077</u>	<u>62,274</u>