

Hornchurch Baptist Church

Report and Accounts
Year ended 31 March 2022

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

HORNCHURCH BAPTIST CHURCH
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2022

ADDRESS FOR CORRESPONDENCE	21 North Street Hornchurch Essex RM11 1RL
GOVERNING DOCUMENT	Constitution adopted 17 September 2008 as amended on 14 June 2015
CHARITY REGISTRATION NUMBER	1132574
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	Rev Vivienne Alexander (Minister) Akwasi Addai-Diawuo Carole Dooley (resigned November 2021) Jean Hart Mark McConnell Iphii Amadi Lesley Mason Suzanne Humphreys
CUSTODIAN TRUSTEES	London Baptist Property Board Ltd.
BANKERS	National Westminster Bank plc
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

INDEX

Page 1	Legal and Administrative Details
Pages 2-3	Trustees' Report
Page 4	Independent Examiner's Report
Page 5	Receipts and Payments Account
Page 6	Statement of Assets & Liabilities
Pages 7-8	Notes to the Accounts

HORNCHURCH BAPTIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 March 2022.

Objects of the charity

The charity, which is a church, is governed by a trust deed and is constituted as a trust. The principal purpose is the advancement of the Christian faith according to the principles of the Baptist denomination. The church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world. The Trust seeks to provide information about Jesus Christ to enable enquirers to make an informed choice about accepting Christ as their personal Saviour and to provide a church family to welcome, nurture and support it's members.

The church is not a building, but a gathering of ordinary people of different ages and backgrounds, whose lives have been changed by Jesus Christ, the Son of God. The New Testament reveals the Church as a community people, properly taught and cared for, who by loving and serving Jesus Christ, are also committed to love and care for each other and to bring a blessing to the area in which they lived.

Hornchurch Baptist Church, it's trustees and members are committed to the restoration of those New Testament principles. It is not alone in this, it is one of many churches in the area, country and all over the world that is rediscovering the excitement of knowing Jesus Christ. The vision is to see the people of Hornchurch and its surrounding area come into the experience of knowing Jesus as their Lord, Saviour and Friend.

Review of the charity's main activities and achievements

To further the above objects and vision, the charity's main activities and achievements were as follows:

Our Pastor has now been with us for almost eight years. She continues to preach regularly and has sought to lead the church further into renewal through sermons and deepening worship and its responses within the fellowship. Our Pastor continues to reach out to non-Christians who attend various groups within the church and to form friendships and bonds with people she encounters through church

Stepping Stones, our weekly meeting for babies/young children continues to meet in term time and continues to be a successful ministry. The church has found that it enables relationships to begin to develop very early on, as parents/carers begin their parenting experiences and start to form relationships with people from the church who staff the sessions. A hope and an aim within the church is also for those same children to then become involved in the weekly youth outreach work for teenage children as they grow and develop. Within these settings longer term relationships can develop and hopefully they also sow seeds so that these families can begin to enter into a personal relationship with Jesus Christ Himself.

The church continues to support medical work in Nigeria as one of our members pioneers life-saving treatment for premature babies in that country. We also support the charity Stand by Me, instigated by a church member who works for the charity. We continue to support two of our church members who work in Kosovo for the Baptist Missionary Society and we continue to support two BMS workers from Spain – a long affiliation with them lasting for twenty years as they work in Southern Spain.

Following Government and BUGB directives the Church has remained open for Sunday Worship since Easter Day 2021. The Saturday morning Prayer Group remains on Zoom but all other meetings, Deacon's and Member's reverted back to face-to-face meetings. Gradually the various Children's and Youth Groups re-opened and the Ladies Bible Study group has re-opened. Cornerstone, the group for older people has not re-opened due to several members passing away and others going into care homes.

There has been a drop in membership since 2020 as some members have been reluctant to return or have passed away. Others have relocated to other churches or are worshipping on-line.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

Financial review

During the year income decreased by £18,400, to £49,100, and expenditure increased slightly by £400, to £70,600. As a result the cash held by the charity decreased by £21,400, to £78,300, of which £77,400 is unrestricted and can be used for any charitable purpose.

Reserves policy

The Trustees have determined that the charity should aim to hold unrestricted cash sufficient to cover between 9-12 months of operating costs so that the charity could continue to operate should income and/or expenditure vary adversely. For the coming year 2022-2023 this range was £48,750 - £65,000 and the charity held unrestricted cash of £77,400. Funds in excess of the policy are being held in anticipation of a continued shortfall of income to expenditure in the years ahead which will bring down the unrestricted reserves in accordance with the policy. This policy will be reviewed on an annual basis

Governance

The policy and operating decisions of the charity rest with the Trustees who meet regularly to monitor the activities of the charity. The constitution governs the appointment of new Trustees who are elected from the Church membership and stand for a period of three years. They are subject to re-election for a further term of three years and then have a year where they stand down.

Responsibilities of trustees

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

Approval

This report was approved by the trustees and signed on their behalf by:

PRINT NAME

Date: _____

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
HORNCHURCH BAPTIST CHURCH

I report to the trustees on my examination of the accounts of Hornchurch Baptist Church ('the charity') for the year ended 31 March 2022 on pages 5 to 8 following.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jaimée Young

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date:

HORNCHURCH BAPTIST CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds		Restricted Funds	Total 2022	Total 2021
		General Funds	Designated Funds			
		£	£	£	£	£
Income receipts						
Donations		28,992	120	395	29,507	53,797
Gift aid receipts		7,541	-	-	7,541	6,040
Income from charitable activities		-	-	49	49	-
Rental income		11,925	-	-	11,925	7,425
Interest		120	-	-	120	249
Total receipts		48,577	120	444	49,140	67,511
Payments						
Payments in relation to charitable activities undertaken directly	2	64,941	-	211	65,152	60,017
Grants paid in relation to charitable activities undertaken by others	3	4,972	60	395	5,427	10,147
Total payments		69,912	60	606	70,579	70,164
Net of receipts / (payments) before transfers		(21,336)	60	(162)	(21,438)	(2,653)
Transfers between funds	5	-	-	-	-	-
Net movement in funds		(21,336)	60	(162)	(21,438)	(2,653)
Cash funds as at last year end		93,025	5,607	1,115	99,748	102,401
Cash funds at this year end	A	71,689	5,667	953	78,310	99,748

The notes on pages 7 - 8 form part of these accounts.

HORNCHURCH BAPTIST CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted Funds			Total	Total
		General funds	Designated funds	Restricted funds	2022	2021
		£	£	£	£	£
A	Cash funds					
	Cash at bank with immediate access	13,927	5,667	953	20,547	41,992
	Notice deposits	57,580	-	-	57,580	57,462
	Petty cash	183	-	-	183	294
		<u>71,689</u>	<u>5,667</u>	<u>953</u>	<u>78,310</u>	<u>99,748</u>
B	Other monetary assets					
	Gift aid due to charity	2,124	-	-	2,124	2,915
	PayPal	-	-	-	-	79
		<u>2,124</u>	<u>-</u>	<u>-</u>	<u>2,124</u>	<u>2,994</u>
C	Liabilities					
	Falling due within one year:					
	Independent Examination	1,080	-	-	1,080	1,080
	BU pension deficit	1,364	-	-	1,364	2,989
	BU loan	7,657	-	-	7,657	7,657
	Creditors and accruals	554	-	-	554	-
		<u>10,654</u>	<u>-</u>	<u>-</u>	<u>10,654</u>	<u>11,726</u>
	Falling due after one year:					
	BU pension deficit	-	-	-	-	43,011
	BU loan	6,887	-	-	6,887	13,961
		<u>6,887</u>	<u>-</u>	<u>-</u>	<u>6,887</u>	<u>56,972</u>
	Total	<u>17,542</u>	<u>-</u>	<u>-</u>	<u>17,542</u>	<u>68,698</u>

The above loan is repayable in monthly instalments over 25 years and is repayable in full by February 2033.

D	Assets retained for charity's own use	Value	Value
		2022	2021
		£	£
	Freehold buildings	575,291	544,469
	Contents and equipment	100,405	97,199
		<u>675,696</u>	<u>641,668</u>

The trustees have used insurance values as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

The accounts were approved by the trustees and signed on their behalf

by _____ date _____
A. Addai-Diawuo

The notes on pages 7 - 8 form part of these accounts.

HORNCHURCH BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

	<u>Unrestricted Funds</u>		Restricted Funds	Total 2022	Total 2021
	General funds	Designated funds			
	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly					
Employment costs and expenses	37,869	-	-	37,869	39,932
Church Centre costs	5,950	-	-	5,950	4,986
Manse and other property costs	11,633	-	-	11,633	5,520
Mortgage repayments	7,657	-	-	7,657	7,657
Administration and office costs	752	-	-	752	845
Governance costs	1,080	-	-	1,080	1,050
Youth	-	-	211	211	26
	<u>64,941</u>	<u>-</u>	<u>211</u>	<u>65,152</u>	<u>60,017</u>

3 Grants and gifts paid to others

Organisations:					
Baptist Missionary Society	1,286	-	185	1,471	2,518
Baptist Union EBA	1,286	-	-	1,286	2,668
Organisations < £1,000	900	-	-	900	961
Individuals	1,500	60	210	1,770	4,000
	<u>4,972</u>	<u>60</u>	<u>395</u>	<u>5,427</u>	<u>10,147</u>

4 Transactions with related parties

Vivienne Alexander served as church leader and was paid £27,306 [2021: £26,492] for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document.

In addition the charity incurred expenditure totalling £3,462 [2021: £3,078] in respect of the provision of accommodation (which is customary for ministers) to Vivienne Alexander, who is a trustee so that they could better perform their duties.

No payments were made to trustees or persons related to them, except for reimbursement of expenses paid out on behalf of the charity.

HORNCHURCH BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

5 Movement of funds

	Opening balance £	Receipts £	Payments £	Transfers £	Closing balance £
General funds	93,025	48,577	(69,912)		71,689
Designated funds					
Buildings fund	5,117	-	-	-	5,117
Communion (hardship fund)	120	120	(60)	-	180
Seniors	370	-	-	-	370
	<u>98,633</u>	<u>48,697</u>	<u>(69,972)</u>	<u>-</u>	<u>77,357</u>
Restricted funds					
Missionary	-	210	(210)	-	-
Harvest Appeal	-	185	(185)	-	-
Youth Fund	1,115	49	(211)	-	953
	<u>1,115</u>	<u>444</u>	<u>(606)</u>	<u>-</u>	<u>953</u>
Total funds	<u>99,748</u>	<u>49,140</u>	<u>(70,579)</u>	<u>-</u>	<u>78,310</u>

The Mission Fund relates to funds donated for the purpose of supported missionaries.

6 The Baptist Pension Scheme

Previously the Baptist Pension Scheme's now closed defined benefit scheme had been reporting a funding deficit and the charity had been making contributions to help make good the shortfall. The Baptist Pension Scheme provided estimates for the charity's share of the funding deficit and the estimate at the year end was included as a monetary liability in the Statement of Assets and Liabilities.

In July 2022, the Baptist Pension Scheme reached an agreement with an insurance company, called Just, to secure the benefits payable under the now closed defined benefit pension scheme ('DB Scheme'). The premium payable to Just was favourable and, after the transaction with Just, the DB Scheme no longer has a funding deficit. It will take some time to complete the process and, until it is complete, some risks remain. Based on current values the Baptist Pension Scheme believes it has sufficient assets to complete the process without requiring additional contributions from participating employers but, because some risks do remain, the charity has been asked to make a nominal monthly contribution of £1 to the DB Scheme from August 2022.

The liability included in these accounts for future contributions towards the funding deficit represents deficit contributions paid between the year-end and 31 July 2022 before they then reduced to £1 in August 2022.