

Hornchurch Baptist Church

Report and Accounts

Year ended 31 March 2024

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 2024

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 (resigned June 2023) Akwasi Addai-Diawuo (resigned March 2024) Ifeoma Amadi Jean Hart (resigned November 2023) Nigel Hooton Suzanne Humphreys Lesley Mason Godfrey Mudiwa (appointed December 2023) Susan Pannell Howard Thomas
CUSTODIAN TRUSTEES	London Baptist Property Board Ltd.
BANKERS	National Westminster Bank plc
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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HORNCHURCH BAPTIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

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 its 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 live.

Hornchurch Baptist Church, its 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:

After the retirement of our minister in June 2023, the leadership has been focussing on supporting the fellowship and ensuring that the work of the church continues and grows.

One new Deacon was elected in Nov 2023, and two stood down: one in November 2023, after 5 years and the other in March 2024 after 6 years of faithful service. Three deacons stood for a second 3-year term and were duly elected.

Sunday services have been led by members of the diaconate, other church members and visiting preachers. As well as regular visits from our moderator, Rev Andy Drake, we have been supported by a range of speakers suggested by our Regional Minister and from local churches. There have also been services with speakers from charities such as CAP, Stand by Me, BMS, Street Pastors and Ahava Community.

It has been a time for church members to step into more responsibility and some of them have preached as well as leading café-style services, music/worship services and sharing testimonies.

The majority of worshippers have continued to attend, and some new families and individuals have started attending.

The church has continued to provide Sunday school classes for the children, and the young people's group, Hothouse, has also continued to meet during the service on most Sundays.

The Women's Bible study group has continued to meet weekly and to gain in numbers.

The weekly prayer meeting, held on Zoom on Saturday mornings, continues to meet faithfully to pray for the church, the community and the wider world.

Our Parent/carer and Toddler group continues weekly and is extremely popular. The leaders continue to build positive relationships and to provide support to families with young children from the local area.

The church building has been occasionally used by outside groups such as Citizens' Advice, a local charity "Stand by Me" and Street Pastors. In December, some classes from a local primary school were invited to use the church and learn about Christmas.

The Church continued to support the work of home and foreign missions. The church is now regularly supporting BMS mission workers in Spain, the work of our previous missionary partners in Kosovo having come to an end. BMS World Mission and Baptist Home Mission each receive 5% of our normal offerings.

The church also continued to give regular donations to "Stand by Me" which is a Christian charity helping under-privileged children in the developing world. In addition, we also supported "Ahava Community", a local Christian charity that works in Havering (and beyond) with the homeless.

The church supported a variety of other charities throughout the year and in 2023, our anniversary thank offering was donated to Christians Against Poverty. At harvest and Christmas, we sent a donation from the church to a local food bank.

The deacons have also been using this time of pastoral vacancy to make sure that things are in good order for the appointment of a new minister. They completed a review of safeguarding procedures and appointed a new DPS and Deputy DPS. There is now also a Pastoral Care Team in place to support the needs of the fellowship.

The church has also updated contact details in order to keep in touch with the congregation and to ensure GDPR compliance.

Church members and attendees of all ages were invited to respond to a questionnaire prepared by the deacons under the guidance of the Moderator, about the strengths and weaknesses of the current church, our hopes for the future and the type of pastor we are seeking to lead us forward. The results were used to inform the writing of a Church Profile to be submitted to the BU Settlement team.

The significant decision was taken in the church meeting to sell the manse in Mill Park Avenue (which needed a lot of repairs and upgrading) and to buy a new, more suitable and well-maintained manse for the new minister. The old manse was sold in January 2024. The Treasurer and Finance team led this task. Church members agreed to purchase a property in Bowden Drive (this completed in May 2024)

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

Financial review

The Finance Team has been meeting regularly, has tabled an annual budget proposal and regularly reviewed our reserves policy.

The leadership team has begun to turn its attention to the state of the church building. Members have agreed for £20,000 to be transferred to the Building Fund. We have settled a bill for our share of works to the roof (undertaken in 2023) and have started a discussion with Iceland (the main lessees of the building) about other fabric issues including windows and skylights and with local heating companies regarding a complete upgrade of the church heating system, which is still the original system as installed when the building opened over 30 years ago.

During the year, excluding proceeds of £710,350 from the sale of the manse, income increased by £4,600, to £56,360, and expenditure decreased by £23,960, to £39,370. Overall, the cash held by the charity increased by £727,340, to £794,090, of which £80,160 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 9-12 months of operating costs so that the charity could continue to operate should income and/or expenditure vary adversely. As at 31st March 2024, the charity held unrestricted cash of £80,160.

The charity has been in a Ministerial interregnum since mid-2023, and trustees do not expect to appoint a new Minister until the latter part of the 2024-25 financial year.

The absence of a Minister decreases operating costs by a substantial amount and improves the net income figure accordingly. Reflecting this, the 2024-25 budget anticipates that operating costs for the financial year will be about £32,000, about half the level of two years previously (the last financial year when HBC had a full-time Minister for the entire year). The trustees propose “looking through” these temporary distortions and instead setting a target range as if a full-time Minister continues to be in post. The trustees have settled on a reserves target range of £45,000 - £60,000.

Whilst the charity is currently holding free reserves in excess of this policy, it is facing material costs associated with the purchase of a new manse in May 2024 (the previous manse being sold in January 2024) and a programme of repair/refurbishment work to the main church building. The latter may well continue beyond the 2024-25 financial year, putting downward pressure on our free reserves position.

Given such uncertainties, the Trustees do not propose any short-term actions to return free reserves towards the target range of £45,000 - £60,000. Trustees will monitor the charity’s reserves position closely. They will update the reserves policy when a replacement manse has been purchased and also when a new Minister is appointed. The reserves policy will also be reviewed and as necessary updated if there are other material changes in circumstances and at least 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:


HcThomas (Nov 28, 2024 22:40 GMT)

Howard Thomas

Date: Nov 28, 2024

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 2024 on pages 6 to 9 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.

J Young
J Young (Nov 29, 2024 15:07 GMT)

Jaimée Young

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: Nov 29, 2024

HORNCHURCH BAPTIST CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024

Notes	Unrestricted Funds		Restricted Funds	Endowment Funds	Total 2024	Total 2023
	General Funds	Designated Funds				
	£	£	£	£	£	£
Income receipts						
Donations	27,408	120	985	-	28,512	29,773
Gift aid receipts	6,485	-	-	-	6,485	5,136
Legacies	-	1,000	-	-	1,000	-
Income from charitable activities	-	-	2	-	2	-
Rental income	16,300	-	-	-	16,300	15,667
Interest	1,334	-	-	2,725	4,059	1,181
	<u>51,526</u>	<u>1,120</u>	<u>987</u>	<u>2,725</u>	<u>56,358</u>	<u>51,757</u>
Capital and similar receipts						
Sale of property	-	-	-	710,351	710,351	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>710,351</u>	<u>710,351</u>	<u>-</u>
Total receipts	<u>51,526</u>	<u>1,120</u>	<u>987</u>	<u>713,076</u>	<u>766,709</u>	<u>51,757</u>
Payments						
Payments in relation to charitable activities undertaken directly	2	32,388	1,585	-	33,973	57,483
Grants paid in relation to charitable activities undertaken by others	3	4,300	-	1,092	5,392	5,841
Total payments		<u>36,688</u>	<u>1,585</u>	<u>1,092</u>	<u>39,365</u>	<u>63,324</u>
Net of receipts / (payments) before transfers		14,838	(465)	(105)	713,076	727,343
Transfers between funds	5	-	-	-	-	-
Net movement in funds		<u>14,838</u>	<u>(465)</u>	<u>(105)</u>	<u>713,076</u>	<u>727,343</u>
Cash funds as at last year end		60,002	5,787	953	66,742	78,310
Cash funds at this year end	A	<u>74,839</u>	<u>5,322</u>	<u>847</u>	<u>79,968</u>	<u>79,968</u>

The notes on pages 8-9 form part of these accounts.

HORNCHURCH BAPTIST CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 MARCH 2024

	<u>Unrestricted Funds</u>		Restricted	Endowment	Total	Total
	General	Designated	funds	Funds	2024	2023
	funds	funds	funds	Funds	2024	2023
	£	£	£	£	£	£
A Cash funds						
Cash at bank with immediate access	29,688	5,322	847	-	35,858	22,898
Notice deposits	44,945	-	-	713,076	758,021	43,726
PayPal balance	10	-	-	-	10	22
Petty cash	197	-	-	-	197	96
	<u>74,839</u>	<u>5,322</u>	<u>847</u>	<u>713,076</u>	<u>794,085</u>	<u>66,742</u>
B Other monetary assets						
Gift aid due to charity	3,634	-	-	-	3,634	3,755
	<u>3,634</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,634</u>	<u>3,755</u>
C Liabilities						
Falling due within one year:						
Independent Examination	924	-	-	-	924	876
BU loan	-	-	-	-	-	7,457
	<u>924</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>924</u>	<u>8,333</u>

The above loan was repaid in full this year.

D Assets retained for charity's own use	Value	Value
	2024	2023
	£	£
<i>Freehold buildings [two residential properties]</i>	-	-
<i>Leasehold building [church]</i>		
Contents and equipment	119,264	111,150
	<u>119,264</u>	<u>111,150</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.

Current values have not been quoted for freehold buildings because reliable valuations are not available (and disclosure is not mandatory).

The lease for the church building was signed in 1987.

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

by HcThomas date Nov 28, 2024
HcThomas (Nov 28, 2024 22:40 GMT)
Howard Thomas

The notes on pages 8-9 form part of these accounts.

HORNCHURCH BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

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 2024	Total 2023
		General funds	Designated funds			
		£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly						
Employment costs and expenses	Note 4	10,950	-	-	10,950	34,527
Church Centre costs		7,578	-	-	7,578	5,745
Manse and other property costs	Note 4	4,838	1,585	-	6,423	8,095
Mortgage repayments		7,657	-	-	7,657	7,657
Administration and office costs		489	-	-	489	620
Governance costs		876	-	-	876	840
		<u>32,388</u>	<u>1,585</u>	<u>-</u>	<u>33,973</u>	<u>57,483</u>

3 Grants and gifts paid to others

Organisations:

Baptist Missionary Society	[purpose]	1,379	-	-	1,379	1,472
Baptist Union EBA	[purpose]	1,200	-	-	1,200	1,472
Organisations < £1,000		971	-	925	1,896	1,198
Individuals		750	-	168	918	1,700
		<u>4,300</u>	<u>-</u>	<u>1,092</u>	<u>5,392</u>	<u>5,841</u>

4 Transactions with related parties

Vivienne Alexander, a trustee to June 2023, served as church leader and was paid £7,411 [2023: £28,198] 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 £3,588 [2023: £4,727] 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 any other 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 2024

5 Movement of funds

	Opening balance £	Receipts £	Payments £	Transfers £	Closing balance £
General funds	60,002	51,526	(36,688)	-	74,839
Designated funds					
Buildings fund	5,117	-	(1,585)	-	3,532
Communion (hardship fund)	300	620	-	-	920
Youth Fund	-	500	-	-	500
Seniors	370	-	-	-	370
	<u>65,789</u>	<u>52,646</u>	<u>(38,273)</u>	<u>-</u>	<u>80,162</u>
Restricted funds					
Missionary	-	347	(347)	-	-
Stand by Me	-	168	(168)	-	-
Anniversary offering for CAP	-	470	(578)	-	(108)
Youth Fund	953	2	-	-	955
	<u>953</u>	<u>987</u>	<u>(1,092)</u>	<u>-</u>	<u>847</u>
Endowment funds	-	713,076	-	-	713,076
Total funds	<u>66,742</u>	<u>766,709</u>	<u>(39,365)</u>	<u>-</u>	<u>794,085</u>

The designated Communion fund relates to monies held for leadership to allocate at their discretion to various needs in the church.

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

Funds raised for Stand by Me are for this registered charity no. 1185124.

The Anniversary funds were sent to CAP [Christians Against Poverty, charity no. 1097217]. The deficit on this account relates to expected gift aid applied to the grant payment but which was not received until after the year end.

The Youth restricted fund relates to donations given specifically for the work of the church with children and young people. The designated fund relates to part of a legacy which the trustees have allocated to the youth fund.

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.